

HOUSE OF REPRESENTATIVES—Tuesday, September 14, 1993

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. MONTGOMERY].

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Let us pray using the words of the Book of Ecclesiastes:

For everything there is a season, and a time for every matter under heaven: a time to be born, and a time to die; a time to plant, and a time to pluck up what is planted;

a time to kill, and a time to heal; a time to break down, and a time to build up;

a time to weep, and a time to laugh; a time to mourn, and a time to dance; a time to cast away stones, and a time to gather stones together;

a time to embrace, and a time to refrain from embracing;

a time to seek, and a time to lose; a time to keep, and a time to cast away;

a time to rend, and a time to sew; a time to keep silence, and a time to speak;

a time to love, and a time to hate; a time for war, and a time for peace.

O gracious God, may these words from scripture remind us that the time of war has past, and the time of peace has come. May each person and all the nations be faithful as peacemakers. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. TRAFICANT. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Chair's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. TRAFICANT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 1, rule I, further proceedings on this vote will be postponed until later this afternoon.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Chair will recognize the gentleman from New York [Mr. LEVY] to lead us in the Pledge of Allegiance.

Mr. LEVY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

JUSTICE DEPARTMENT RIPS OFF CONSTITUTIONAL RIGHTS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the sixth circuit court in Cincinnati is now investigating the way the Justice Department has handled the case of John Demjanjuk, who was convicted of being the infamous Ivan the Terrible, and evidence now shows he was not. Allan Ryan, the first director, has really taken a page out of some chapter that is very damaging to America. To cover their own tracks, he is now blaming it on the Soviets.

That is a stone cold lie. My investigation uncovered two documents back to August 1978 and July 1981 that prove without a doubt the Justice Department knew that Marchenko was Ivan. Yet they pursued a prosecution on Demjanjuk as Ivan.

Mr. Speaker, Allan Ryan, the Office of Special Investigation, and everyone over there that perpetrated a fraud and a hoax on the courts of America and Israel, should be brought to justice themselves. It is time to not pass go, but go directly to jail, for the people responsible for supposedly protecting America's Constitution and rights.

Demjanjuk is not Ivan. Bring him back. Give him his day in court. Look at all the allegations. That is the least we can do after we ripped him off.

Congress has allowed the Justice Department to rip off his constitutional rights, and that is a crime in itself.

INTRODUCTION OF THE RURAL EMERGENCY ACCESS CARE HOSPITAL ACT

(Mr. THOMAS of Wyoming asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS of Wyoming. Mr. Speaker, today I am introducing legislation to help small, financially strapped rural hospitals keep their doors open to provide health care to rural people. My bill would reclassify these facilities as Rural Emergency Access Care Hospitals [REACH] so they may stabilize patients in times of emergency.

Due to excessive regulations, low reimbursement rates and inpatient stays, many rural communities are finding that they cannot support a full-service hospital. Many are now forced to close their doors, which restricts access to basic medical services even further.

But my legislation provides an alternative. As REACH's, these facilities could continue to receive Medicare reimbursement for emergency services, despite not meeting all the requirements of a hospital. Due to the geographic boundaries, severe weather conditions and physician shortages, rural areas see this as a critical component for any health care delivery system.

Many communities resist closing an underutilized facility for fear of losing the emergency room. The REACH Act, however, helps communities plan effectively and accommodate different levels of medical care throughout the State.

TIME FOR CONGRESS TO WORK ON HEALTH CARE

(Mr. JOHNSTON of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JOHNSTON of Florida. Mr. Speaker, at the Governor's Conference in Tulsa, OK, President Clinton spoke about the need for flexibility in national health care reform.

He is right. Health care reform cannot be accomplished in Washington, DC, alone, but must be responsive to local needs and resources. What is right in rural Vermont is not necessarily best for urban Florida.

As health reform moves from theory to reality, Members of Congress must discard all notions of health care Utopia—both the tall tales of Government simplicity and the polished presentations of magic competition. Instead, we must move forward with a workable, community-based national health care plan that establishes strong national requirements, but also recognizes the diversity of our Nation.

The President's plan has got it right. Now it is time for Congress to get past ideology and go to work.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

EXCISE TAXES ARE REGRESSIVE AND UNFAIR

(Mr. BUNNING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUNNING. Mr. Speaker, I rise to warn my colleagues to think about fairness before they jump on the sin tax bandwagon to pay for health care.

The problem with excise taxes is now and always has been the same—they hit low- and middle-income taxpayers harder, in relative terms, than other taxes.

They are regressive and unfair.

And, to make it worse, just like other taxes, excise taxes cost jobs. Plenty of them.

For example, a \$1 increase in the cigarette tax would kill as many as 23,000 jobs in my own State of Kentucky—10,500 jobs directly involved in the tobacco industry and another 12,500 spin-off jobs.

Excise taxes are regressive and unfair, and they kill jobs, particularly in States like Kentucky where alcoholic beverages and tobacco products are major industries.

There has to be a fairer way to pay for health care. Excise taxes aren't the way to do it.

A DAY OF HOPE

(Mrs. MEEK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MEEK. Mr. Speaker, yesterday I saw a sight I thought I would never see—the Prime Minister of Israel shaking hands with the Chairman of the Palestine Liberation Organization on the White House lawn with the President of the United States between them.

I remember when Prime Minister Begin signed the Camp David accords with President Sadat on the same table with President Carter.

Yesterday was a day of hope, but much more remains to be done to finally bring peace to the Middle East. There are still those whose all-consuming hatred will try to stop peace, and we must be vigilant against this threat. It appears that there is movement toward peace also with Jordan and Syria. President Clinton made a brilliant plea and was correct when he stated many months ago that peace cannot be imposed on the Middle East from outside, it must come through negotiation among those of the area.

Israel has been a beacon of democracy for almost 50 years. It has a talented and educated work force. The people of Israel deserve to live at peace as much as any people in the world. Yesterday was a major step toward beating the swords of the Middle East into plowshares.

Yesterday was a day of hope, but it was also a day of caution. We must re-

main vigilant against those consumed by hatred who prefer war. It has taken too many lives to get from Camp David to this point. We must support and protect those who wish to give peace a chance.

□ 1010

THE NORTH AMERICAN FREE TRADE AGREEMENT

(Mr. ZELIFF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ZELIFF. Mr. Speaker, who would have believed that Ross Perot and Pat Buchanan would ever team up with Jesse Jackson, Ralph Nader, and the AFL-CIO on any issue. Yet, for reasons which I cannot understand, this unlikely group has set its sights on defeating NAFTA. Former President Gerald Ford may have had it right when he said:

With that line-up of opponents, NAFTA has to have some merit.

NAFTA's opponents try and tell us that businesses and jobs will flow to Mexico under the free trade agreement. It is an effective argument that plays upon people's emotions and uncertainties about their economic future. But the fact is, Mr. Speaker, jobs that are at risk from foreign competition will remain at risk, with or without NAFTA.

The facts are on our side. Mr. Speaker. Trade with Mexico means jobs for American workers. What we need now is leadership. To his credit, President Clinton recognizes the value of free trade and the benefits of NAFTA. But he must back up his words of support with determined action. The resources of the administration must be mobilized. It would be a tragic mistake if we allowed this important initiative to fail. I urge my colleagues to vote yes on NAFTA.

SECURITY

(Ms. SHEPHERD asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SHEPHERD. Mr. Speaker, I recently received this report from the General Accounting Office which concludes that retiree health benefits are not secure under our current health care system. But I did not need the GAO to spell it out for me—the desperate situation of our retirees is made perfectly clear in the flood of mail I receive from my district every day.

Take the case of Robert Anderson from Salt Lake who, because his former employer is shifting the entire burden of retiree health coverage to the retirees themselves, will be left with only \$2.22 from his monthly retirement check after he pays his pre-

mium. Less than two bucks and a quarter each month after 28 years of service.

Mr. Anderson is not alone—our Nation's health care crisis threatens the security of every family and business in this Nation. I'm confident that the plan President Clinton will announce next week will provide desperately needed solutions, not just for early retirees, but for all Americans. I urge my colleagues to join me in returning health care security to the people of this Nation by supporting the President's plan.

PROSPECTS FOR LASTING PEACE IN MIDDLE EAST

(Mr. LEVY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVY. Mr. Speaker, late last week, a historical accord was reached between Israel and the Palestine Liberation Organization. Not since the 1978 Camp David agreement has the prospect for a lasting peace seemed brighter in the Middle East.

During the August recess, I traveled with the largest congressional delegation ever to visit Israel. It was during that trip that real breakthroughs in the peace process first became apparent. The excitement shared by most Israelis and Palestinians was something that I will never forget.

Harmony throughout the Middle East may be imminent. Peace negotiations between Israel and neighboring countries continue to take place, bolstered by the Israeli-PLO accord which was signed yesterday. The task at hand, however, is not complete.

It is the duty of our Government to ensure that the principles signed yesterday protect and confirm Israel's right to exist in peace. Israel is the only legitimate democracy in the Middle East and it is in this country's best interest to reaffirm the United States commitment to the security of our pre-eminent ally in the region.

A TRIBUTE TO AMY BIEHL

(Mr. GORDON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GORDON. Mr. Speaker, during a speech at the University of Capetown, South Africa in 1966, the late Robert Kennedy said:

Each time men and women stand up for an ideal, or act to improve the lot of others, or strike out against injustice, they send forth a tiny ripple of hope.

When Robert Kennedy gave that stirring address, Amy Biehl was not yet born. But 27 years later, his words and the life of Amy Biehl are tightly bound.

On August 25, Amy was stabbed to death by a mob outside of Cape Town,

South Africa, not far from the site of Robert Kennedy's speech. She was the first American known to have been killed in that nation's violence.

Amy, who grew up in Texas before moving with her family to California, previously worked in my office. She had gone to South Africa as a Fulbright scholar to assist with the effort to bring about a peaceful transition from apartheid to majority rule.

Amy was dedicated to helping humanity, to working for positive change wherever she went. Of her passion, a former professor said, "She really believed in the transforming power of democracy."

In 10 short months in South Africa, she touched the hearts of many with her energy, her perseverance, and her optimism.

Unfortunately, the mob saw only her white face. A black friend, speaking at a memorial service in South Africa, said it all, "I want to say to people that you have killed your own sister."

Amy aspired to make a difference, to send forth her tiny ripple of hope. In her mother's words: "Amy's wish was that we all work together as people and that racial issues and violence are not the answer."

It is true anywhere, South Africa, south Los Angeles or south Nashville, that is Amy's message. Now it is up to us all to hear it, to learn from it, and most of all, to carry it out.

WHITE HOUSE RETROACTIVE APPOINTMENTS

(Mr. LIGHTFOOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIGHTFOOT. Mr. Speaker, last week the GAO released a report prepared at my request and the request of other minority members of the House Appropriations Subcommittee on Treasury, Postal Service and General Government. This report detailed 217 instances of retroactive appointments by the White House, 22 retroactive pay raises for White House employees, and 25 White House employees who double-dipped on the White House payroll and the transition office payroll.

While the Vice President is busy reinventing Government, it appears the White House staff is busy reinventing Federal payroll practices. For all but a select few White House appointees, backdated pay raises and double-dipping from two Federal accounts is prohibited. In fact, these White House payroll actions were so unprecedented, the GAO had never been asked to rule on such practices before.

For a President who made a campaign issue out of cleaning up Government and raising ethical standards in the White House, he is being poorly served by his staff. Someone needs to clean up the White House. If the White

House staff cannot even manage its own operations, how can the President expect to succeed in reinventing the entire Government?

FREEDOM OF ACCESS TO CLINIC ENTRANCES ACT

(Ms. FURSE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. FURSE. Mr. Speaker, I rise today in support of H.R. 796, a bill to ensure that women have the freedom to access reproductive health clinics.

All over the country antichoice people are blocking clinic entrances, and targeting providers and their families. This violence has led to one murder, and just last month the shooting of Dr. Tiller in Wichita by a woman from Oregon. This terrorism must stop. We must respect the law of this Nation and the rights of our citizens.

The freedom of access to clinic entrances bill will help stop the violence. It will make it a Federal crime to block clinic entrances, and it also allows Federal law enforcement officials to step in if local police refuse to keep a clinic open.

The Supreme Court has reaffirmed a woman's right to choose. While the decision is difficult, once it is made, women should not be prevented from or harassed while exercising their rights, and physicians must be allowed to practice medicine without fear for their lives.

I urge my colleagues to pass H.R. 796. We must stop the violence against American women and American physicians.

□ 1020

NAFTA, A BAD DEAL FOR FLORIDA

(Mr. LEWIS of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Florida. Mr. Speaker, I rise to announce my strong opposition to the approval of the North American Free-Trade Agreement. Today's signing of the supplemental accords on labor, the environment, and import surges is nothing for Floridians to be pleased about, as none of the concerns of Florida's agriculture, the State's second largest industry, were addressed.

The agriculture sector alone in Florida stands to lose up to 60,000 jobs and \$300 million in farmgate value under the NAFTA. For a sector of the economy that has a \$16 billion overall economic impact on the State, these losses are completely unacceptable.

Today I am also announcing that I have joined my other two colleagues from Florida who serve on the Agriculture Committee, Mr. CANADY and

Mrs. THURMAN, as members of the bipartisan anti-NAFTA caucus. This sends a clear message from the Florida delegation, Mr. Speaker: The NAFTA is simply a bad deal for Florida, and a bad hit on the little guy.

NO PROGRESS TOWARD PEACE IN IRELAND UNTIL THE BRITISH LEAVE

(Mr. ABERCROMBIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ABERCROMBIE. Mr. Speaker, the newspapers and this floor are replete with statements and pronouncements, analyses about the Israeli-Palestinian agreement and the possibility for peace. Virtually every word, Mr. Speaker, said yesterday and in past days about terror and war and pain and death are equally applicable to Northern Ireland.

Today I stand here and vow to speak out and keep on speaking out about the occupation of Northern Ireland by the British, to bring to the attention of the American people that we have as much an interest in seeing that peace comes to Northern Ireland as we do anywhere else in the rest of the world, perhaps even more so, Mr. Speaker, given the history of Ireland, England, and the United States.

The British must leave Northern Ireland. No progress will be made until the British make this clear and unmistakable. I think it is an outrage that the people of the United States have, because of the power of the British press and the disinclination of the American press to bring this issue home, that the British are allowed to occupy Northern Ireland and commit virtually every kind of terror and horror that is possible to think of. There is no justice, no court system worthy of the name against the people of Northern Ireland.

Over 40 percent of the British military budget is spent on occupying Northern Ireland. Billions of dollars are spent in occupying and terrorizing the people of Northern Ireland. The irony here, Mr. Speaker, as I close today, is that the Irish National Defense Forces are among the leading peacekeepers in the world. For more than three decades the Irish National Defense Forces have been going everywhere else in the world but in Ireland itself, seeing to it that peace is achieved.

It is time for the United States to lead the way and bring the expectation of peace and freedom to Northern Ireland.

INQUIRY REGARDING LEGISLATIVE SCHEDULE

(Mr. WALKER asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, I rise in order to raise a question about the upcoming schedule. As I understand it, our side has just been informed that we are now going to recess immediately following the 1 minutes and not go on to take up the RTC rule. I am just wondering, for the information of the Members, whether or not that is, in fact, correct, and whether or not there is some explanation as to why the House cannot seem to proceed with business. We went through long recesses yesterday, and now we are apparently going to do another one today.

Mr. DERRICK. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from South Carolina.

Mr. DERRICK. Mr. Speaker, my knowledge of the situation is rather sketchy, but we are negotiating that right at the moment and hope that we might be able to move right ahead.

Mr. WALKER. The word was passed to our side about that.

Mr. DERRICK. If the gentleman will continue to yield, the gentleman is correct, that was the word, but we are hoping to maybe change that.

Mr. WALKER. That would be useful.

Mr. DERRICK. If the gentleman will yield further, I do not know that we will be able to.

Mr. WALKER. I really do believe if we are going to start this pattern of simply breaking up days with recesses, that Members who have schedules and everything else that we are trying to accommodate, it really does make it very difficult.

Mr. DERRICK. If the gentleman will yield further, it is sometimes necessary to do that. I agree with the gentleman that it will certainly be at a minimum.

Mr. WALKER. I agree with the gentleman that it sometimes is necessary. I have been around here, though, a good while. I must tell the gentleman that we have had kind of a spate of this here recently, where it seems to be an everyday occurrence.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I just saw the distinguished chairman of the Committee on Armed Services walk on the floor. The Members really need to know what the schedule is going to be for the rest of the day. Are we going to take up the remainder of that third rule that provided for amendments on the bill from the Committee on Armed Services? Or are we just going to take up the RTC bill? Or not take up any of them? The Members need to know. The religious holidays start later this afternoon, and Members need to make their plans. Somebody needs to enlighten us on the floor here.

Mr. DELLUMS. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Speaker, I thank the gentleman for yielding to me.

First, the question propounded by my distinguished colleague, the gentleman from New York [Mr. SOLOMON], the questions have to be answered above this gentleman's pay grade. However, with respect to H.R. 2401, the DOD authorization bill for fiscal year 1994, as my colleague will recall, the rule under which we are operating allowed us to debate roughly eight amendments. Four or five of them we dispensed with on yesterday, five of the nine, and the other four, several of those amendments have been withdrawn to work out different arrangements that will probably be accommodated in a second en bloc amendment, which left only the amendment that would be offered by this gentleman for a 10-minute debate.

It just seemed to me that it was not very efficient utilization of time to bring the entire staff over here for the purposes of debating one 10-minute amendment.

Second, this gentleman considered that since I am Chair of the Committee on Armed Services, maybe I ought to figure out how to redraft my own amendment in such a manner that I am able to put it in a second en bloc amendment. Frankly, there is no particular reason to come to the floor for the purpose of those remaining amendments.

With respect to what happens to us in the future, that is in the hands of my distinguished colleague and the leadership of this body. We are prepared to go to work under whatever rule is made available. I hope that enlightens my colleague with respect to the few moments we have here.

Mr. WALKER. I thank the gentleman.

It seems to me we are in a state of confusion, and we are settling the confusions here by declaring recesses. I would hope we could get the schedule worked out so Members would have some degree of confidence in what we are doing and when we are doing it.

A TRIBUTE TO AMBASSADOR TERENCE TODMAN UPON HIS RETIREMENT

(Mr. DE LUGO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LUGO. Mr. Speaker, it gives me great pleasure to again pay tribute to one of our Nation's most distinguished and experienced diplomats, the Honorable Terence Todman, who, I am very sorry to report, retired last month from service to this Nation at the Department of State.

Terence Todman served the United States with honor and esteem in a career that spanned more than four dec-

ades. He rose to the rank of Career Ambassador, the highest in our Diplomatic Corps, and was our Ambassador to six countries: Chad, Guinea, Costa Rica, Spain, Denmark, and Argentina. He also served as Assistant Secretary of State for Latin American Affairs.

Ambassador Todman received numerous awards, including the presidential Distinguished Service Award, the President's Meritorious Service Award and the Department of State's Superior Service Honor Award. In Spain, he was awarded the Grand Cross of the Highest Order of Isabela la Catolica, and in Denmark, the Grand Cross of the Order of Danneborg. On August 11, 1993, Ambassador Todman was presented with the Secretary of State's Distinguished Service Award.

Beyond these remarkable achievements, Ambassador Todman also was the highest ranking African-American in the U.S. Diplomatic Corps. A native of St. Thomas, VI, he is one of our most illustrious native sons and a source of enormous pride for the people of the Virgin Islands, whom I represent.

This outstanding career diplomat retired on August 13, 1993, and we can only hope that he will have many productive years as a private citizen of the country he served with such distinction.

Today, I am proud to rise to recognize the achievements of this extraordinary man, and to express my great appreciation to Ambassador Terence Todman for his outstanding accomplishments and exceptional contributions to this Nation and the nations of the world.

□ 1030

AN EXAMPLE OF ONE AMERICAN FALLING THROUGH THE CRACKS OF OUR HEALTH CARE SYSTEM

(Mr. DERRICK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERRICK. Mr. Speaker, Mr. James Cooley of Belton, SC, has worked hard most of his life at a local textile plant in my district. He paid his bills and his mortgage on time and made sure his family was comfortable. But now his life has been turned upside down. Suffering from kidney failure, he continued to work while undergoing dialysis treatments.

In January of this year, under doctor's orders, Mr. Cooley was forced to quit his job. Without the contribution from his employer, he was unable to obtain insurance at anything approaching a reasonable rate. His wife works, but her income is not enough to cover all their bills and too much for him to qualify for Medicaid.

Even though he has worked hard his entire life and has been a responsible

father, citizen, and taxpayer, James Cooley no longer has anything to show for it. The house he's lived in and paid a mortgage on for 20 years belongs now to a finance company because mounting medical bills forced him to refinance his home. He must accept charity from strangers simply to pay his bills. His life savings has gone to pay only a portion of the bills from the hospital.

All this because he was unlucky enough to get sick in a country where the health care system failed him.

Too many people like Mr. Cooley are falling through the cracks of our health care system. We have a health care crisis in this country which has reached epic proportions, and a solution is desperately needed. The time for action is now.

THE SCHEDULE

Mr. DERRICK. If I may continue, I would say to the gentleman from New York [Mr. SOLOMON] we are going to proceed with the rule. But I would have to say on behalf of the majority that it is my understanding from our leadership that your leadership requested that we recess so that your leadership and others could come back from the White House where they are having a meeting on NAFTA. I think you and I agree on NAFTA so we were not invited to that meeting, since we oppose it, but anyway, we will be proceeding.

PROVIDING FOR CONSIDERATION OF H.R. 1340, RESOLUTION TRUST CORPORATION COMPLETION ACT.

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 250 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 250

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1340) to provide funding for the resolution of failed savings associations, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the committee amendments now printed in the bill, it shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Banking, Finance and Urban Affairs now printed in the bill, modified by the amendments printed in part 1 of the report of the Committee on Rules accompanying this resolution. The committee amendment in the nature of a substitute, as modified, shall be considered as read. All

points of order against the committee amendment in the nature of a substitute, as modified, are waived. No amendment to the committee amendment in the nature of a substitute, as modified, shall be in order except the amendments en bloc printed in part 2 of the report. The amendments en bloc may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question of the House or in the Committee of the Whole. All points of order against the amendments en bloc are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute, as modified. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After passage of H.R. 1340, it shall be in order to take from the Speaker's table the bill S. 714 and to consider the Senate bill in the House. All points of order against the Senate bill and against its consideration are waived. It shall be in order to move to strike all after the enacting clause of the Senate bill and to insert in lieu thereof the provisions of H.R. 1340 as passed by the House. All points of order against motion are waived. If the motion is adopted and the Senate bill, as amended, is passed, then it shall be in order to move that the House insist on its amendments to S. 714 and request a conference with the Senate thereon.

The SPEAKER pro tempore (Mr. MONTGOMERY). The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from New York [Mr. SOLOMON], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 250 is a rule providing for the consideration of H.R. 1340, the Resolution Trust Corporation Completion Act. The rule provides for 1 hour of debate time equally divided and controlled by the chairman and ranking minority member of the Banking Committee. The rule waives all points of order against consideration of the bill. The rule makes in order, as an original bill for the purpose of amendment, the Banking Committee amendment in the nature of a substitute, as modified by part one of the report to accompany the rule. The committee amendment, as modified, shall be considered as read and all points of order against the committee substitute, as modified, are waived.

The rule makes in order only the amendments en bloc printed in part 2 of the report to accompany the rule. The amendments en bloc may be offered

only by the member designated in the report, shall be considered as read, shall be debatable for the time specified in the report, and shall not be subject to amendment nor a demand for a division of the question. All points of order against the amendments en bloc are waived. The rule provides one motion to recommit with or without or instructions.

The rule also provides that after passage of H.R. 1340, it shall be in order to take S. 714 from the Speaker's table and consider it in the House. All points of order are waived against the Senate bill and against its consideration. The rule further makes in order a motion to strike out all after the enacting clause and insert the House-passed bill. All points of order against the motion are waived. Finally, the rule makes in order a motion to insist on the House amendments and to request a conference.

Mr. Speaker, we are finally approaching completion of the work of the Resolution Trust Corporation and this legislation provides the final spending necessary for the resolution of the savings and loan cleanup. The legislation changes the April 1, 1992, date limitation and reduces the amount of funds currently authorized for the savings association insurance fund. The bill contains a series of important management reforms including a requirement that the Treasury Secretary certify that the RTC is complying with the goals established by Congress. The bill further expands the minority and women-owned business programs and expands the FDIC and RTC affordable housing program. Finally, the bill extends the statute of limitations for certain tort claims and establishes a task force to facilitate the transfer of the RTC to the FDIC.

Mr. Speaker, House Resolution 250 is a fair rule that will expedite consideration of this important legislation. I urge my colleagues to support the rule and I reserve the balance of my time.

□ 1040

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the distinguished gentleman from California [Mr. DREIER] was assigned to manage this rule for the minority this morning. Unfortunately he is at the White House, detained on the controversial NAFTA issue. So he will not be here.

So I will be speaking in his place and will submit his statement for the RECORD.

Mr. DREIER. Mr. Speaker, here we go again with another closed rule on a major piece of legislation. For months we were told that restrictive rules on the President's major policy initiatives were necessary because he deserves to have an up or down vote on his program.

That is past us now, Mr. Speaker, and we are still faced with procedural shenanigans

that prevent free and open debate on a savings and loan cleanup bill that is a major concern to every American.

At this moment, Mr. Speaker, the Rules Committee is holding a hearing on the resolution introduced by the gentleman from Oklahoma [Mr. INHOFE] to make public the names on discharge petitions. The purpose is to improve accountability and deliberation in this body. That hearing would not be taking place were it not for the loud public outcry against discharge petition secrecy and the efforts to manipulate the process.

Fortunately, Mr. Speaker, a massive public outcry is not necessary to end the rules abuses that prohibit fair, open, and orderly debate on the House floor. All my colleagues have to do is vote against this rule so that we can offer an open rule, and the leadership will begin to get the message.

So far this year, the Rules Committee has imposed gag rules on 73 percent of the legislation that has passed through that committee.

The Democrat leadership, via the Rules Committee, proposes that we vote on a \$26.3-billion bill to fund the Resolution Trust Corporation and the savings association insurance fund without considering alternatives that may improve the bill and its prospects for passage.

Last night in the Rules Committee, motions were offered to allow the full House to debate six germane amendments to the bill, as well as an open rule, and each motion was defeated on a party-line vote.

Mr. Speaker, H.R. 1340 has been on the whip schedule for nearly 3 months because the House and Banking Committee leaderships have been striving for a bipartisan consensus on RTC funding. Ironically, at a time when that consensus can probably be reached with an open rule, the leadership risks throwing it away with this gag rule.

The substitute amendment made in order by the rule is certainly an improvement over H.R. 1340 as reported by the Banking Committee. It gives the RTC more time to close down insolvent institutions before that responsibility is transferred to the currently under-capitalized savings association insurance fund. It also subjects the minority preference provisions to the least-cost-to-the-taxpayer requirement.

However, Mr. Speaker, it is misguided to believe that this legislation cannot be improved. It does not provide a long-term solution to the savings and loan crisis, and it virtually assures that we will have to revisit this issue in a few short years.

Mr. Speaker, this rule imposes a shroud of secrecy over the legislative process at a time when the public is demanding openness and accountability from this institution.

Therefore, I urge my colleagues to defeat this rule so that we can open the shades and let the sunshine in.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, just as we have had so many savings and loan failures in the last several years, we have also witnessed the bankruptcy of democracy in this House when it comes to allowing Members to work their will on major legislation. And this is major legislation, spending billions of dollars of the taxpayers' money.

Mr. Speaker, it used to be that most major bills that come to the floor with the exception of, perhaps, tax legislation, came here under an open amendment process in which all Members could participate. Every one of us could represent our 600,000 constituents back home.

Mr. Speaker, that open amendment process has deteriorated over the years until today we are looking at close to three-fourths of the important bills coming to this floor coming under restricted or closed rules. That means every Member in this House is being gagged.

The present rule is one more example of that, allowing as it does just one set of amendments to be voted on before we must vote the entire bill up or down.

Mr. Speaker, I appreciate that there are members of the Committee on Banking, Finance and Urban Affairs, from both sides of the aisle, who sponsored that en bloc amendment—and it does make some improvements in the bill. I have read it. But to think that some Members represent the House as a whole or somehow have a monopoly on wisdom and expertise in this area is a sad miscalculation, and it is an insult to the other 384 Members of this House who do not serve on the Committee on Banking, Finance and Urban Affairs.

The very fact that this amendment did not emerge until some months after the bill was reported should give Members some idea as to the imperfections of this bill and the ability of the Banking Committee to gauge the mood of this House.

Up in the Committee on Rules last night we offered a series of amendments to this rule: An open rule, followed by amendments to make in order just nine additional amendments that had been presented to our committee, mostly from members of the Banking Committee. All nine of those amendments were rejected, all but one on a straight party-line vote. And yet, Mr. Speaker, you and the Democrat leadership are asking for bipartisan support on this piece of legislation. That really is an outrage.

I will not take the time of this House to detail all nine of those amendments, but they covered such important areas as the minority parity provision and offsetting spending cuts to pay for this so-called final installment. And that was a bipartisan amendment offered by a Democrat and a Republican.

We are not even going to be able to debate the issues of pay-go and cutting back the amount of this bill by \$6.4 billion. That is something of interest to every Member of this House. More importantly, and most important of all, we will not debate limiting depositors to no more than one insured account of \$100,000.

Mr. Speaker, that is how we got ourselves in this mess in the first place,

when, back in 1980, by voice vote, we raised the amount of guaranteed deposit insurance from \$40,000 for one individual account up to \$100,000; any individual could then have as many of those insured accounts as he wanted.

This particular amendment was the only one of the nine amendments we proposed that would have required a waiver of points of order. But it would have been one of the most sensible steps we could have taken to prevent future S&L failures, bank failures, and to solve this RTC mess once and for all.

Mr. Speaker, if just one or two of these amendments had been allowed and adopted by this House, JERRY SOLOMON and many other Members would have brought ourselves to voting for this bill, because we would have done something about curing this mess.

Now, perhaps the majority leadership knows something that I do not know. Maybe they do have the votes and can simply thumb their collective noses at the Members who wish to improve this bill through further amendments.

Even if that is the case, I think the real test of this legislation for the good of the Members in this House should be to let the people's Representatives fully work their will through the amendment process, which we did last year and it came out to be a halfway decent bill.

Mr. Speaker, without that kind of process and input, we are only risking passing laws that will not have the full support of the people and may therefore be destined to fail.

Think about it, my colleagues; do you really want to be able to face your constituents and say, "We did all we could to pass good legislation"? Or do you want to go back to them in November of next year and try to explain how you helped make this S&L mess worse than it is today by forfeiting your rights as legislators?

I cannot do that. If you are not willing to fully exercise your responsibilities as freely elected Representatives of the people and prefer to yield those rights to others, then you may be bringing about your own term limit, my friends, quicker than any constitutional amendment could ever do.

I ask Members to vote down this rule and then vote down this bill so that the House can truly work its will on legislation that is in the best interests of the American people and certainly in the best interests of the American taxpayers.

ROLLCALL VOTES IN THE RULES COMMITTEE ON PROPOSED AMENDMENT TO THE RULE ON H.R. 1340, RESOLUTION TRUST CORPORATION COMPLETION ACT, MONDAY, SEPTEMBER 13, 1993

1. Open rule—This amendment in the nature of a substitute provides for an open rule with ninety minutes of general debate.

Vote (Defeated 4-6): Yeas—Solomon, Quillen, Dreier, Goss; Nays—Moakley, Derrick, Beilenson, Hall, Gordon, Slaughter.

2. McCollum (FL)—To strike minority parity and minority acquirer provisions.

Vote (Defeated 4-6): Yeas—Solomon, Quillen, Dreier, Goss; Nays—Moakley, Derrick, Beilenson, Hall, Gordon, Slaughter.

3. Bachus (AL)—To limit regional pay differentials paid to RTC employees to the level appropriate to their federal government counterparts.

Vote (Defeated 4-6): Yeas—Solomon, Quillen, Dreier, Goss; Nays—Moakley, Derrick, Beilenson, Hall, Gordon, Slaughter.

4. Grams (MN)—A) To require the President to identify reductions in federal spending to offset any additional funding for RTC; and,

B) To require the President to identify offsets in the form of spending reductions, tax increases, or some combination of the two, for additional RTC funding.

Vote (Defeated 4-6): Yeas—Solomon, Quillen, Dreier, Goss; Nays—Moakley, Derrick, Beilenson, Hall, Gordon, Slaughter.

5. Upton/Kaptur—To require States which have been home to "Excessive Costs" due to the resolution of their state-chartered thrifts to pay a federal deposit insurance premium if the state's state-chartered thrifts are to remain eligible for federal deposit insurance.

Vote (Defeated 3-6): Yeas—Solomon, Quillen, Dreier; Nays—Moakley, Derrick, Beilenson, Hall, Gordon, Slaughter.

6. Roth (WI)—A) To make appropriations unnecessary by clarifying existing law so that the RTC borrowing may be used to pay losses.

B) Provides for state contributions for resolving failing savings and loans that are state-chartered.

Vote (Defeated 3-6): Yeas—Solomon, Quillen, Dreier; Nays—Moakley, Derrick, Beilenson, Hall, Gordon, Slaughter.

7. Johnson (TX)—To cut the amount provided to the RTC by \$6.4 billion and provides a total of \$11.9 billion in new RTC funding.

Vote (Defeated 3-6): Yeas—Solomon, Quillen, Dreier; Nays—Moakley, Derrick, Beilenson, Hall, Gordon, Slaughter.

8. Hoke (OH)—Limits the maximum amount of Federal Deposit Insurance payments that any one individual could receive, during their lifetime, to a total of \$100,000.

Vote (Defeated 4-5): Yeas—Solomon, Quillen, Dreier, Derrick; Nays—Moakley, Beilenson, Hall, Gordon, Slaughter.

9. Adoption of Rule (Adopted 6-3): Yeas—Moakley, Derrick, Beilenson, Hall, Gordon, Slaughter; Nays—Solomon, Quillen, Dreier.

NOTE: The individual amendments would be printed in the Rules Committee report, would not be subject to amendment, would be debatable for 20-minutes each, and appropriate points of order would be waived.

OPEN VERSUS RESTRICTIVE RULES—95TH-103D CONG.

Congress (Years)	Total rules granted ¹	Open rules		Restrictive rules	
		Number	Percent ²	Number	Percent ³
95th (1977-78)	211	179	85	32	15
96th (1979-80)	214	161	75	53	25
97th (1981-82)	120	90	75	30	25
98th (1983-84)	155	105	68	50	32
99th (1985-86)	115	65	57	50	43
100th (1987-88)	123	66	54	57	46
101st (1989-90)	104	47	45	57	55
102d (1991-92)	109	37	34	72	66
103d (1993-94)	33	9	27	24	73

¹Total rules counted are all order of business resolutions reported from the Rules Committee which provide for the initial consideration of legislation, except rules on appropriations bills which only waive points of order. Original jurisdiction measures reported as privileged are also not counted.

²Open rules are those which permit any Member to offer any germane amendment to a measure so long as it is otherwise in compliance with the rules of the House. The parenthetical percentages are open rules as a percent of total rules granted.

³Restrictive rules are those which limit the number of amendments which can be offered, and include so-called modified open and modified closed rules, as well as completely closed rule, and rules providing for consideration in the House as opposed to the Committee of the Whole. The parenthetical percentages are restrictive rules as a percent of total rules granted.

Sources: Rules Committee Calendars & Surveys of Activities, 95th-102d Cong., "Notices of Action Taken," Committee on Rules, 103d Cong. through Sept. 14, 1993.

OPEN VERSUS RESTRICTIVE RULES—103D CONG.

Rule number, date reported	Rule type	Bill number and subject	Amendments submitted	Amendments allowed	Disposition of rule and date
H. Res. 58, Feb. 2, 1993	MC	H.R. 1: Family and medical leave	30 (D-5; R-25)	3 (D-0; R-3)	PQ: 246-176. A: 259-164. Feb. 3, 1993.
H. Res. 59, Feb. 3, 1993	MC	H.R. 2: National Voter Registration Act	19 (D-1; R-18)	1 (D-0; R-1)	PQ: 248-176. A: 249-171. Feb. 4, 1993.
H. Res. 103, Feb. 23, 1993	C	H.R. 920: Unemployment compensation	7 (D-2; R-5)	0 (D-0; R-0)	PQ: 243-172. A: 237-178. Feb. 24, 1993.
H. Res. 106, Mar. 2, 1993	MC	H.R. 20: Hatch Act amendments	9 (D-1; R-8)	3 (D-0; R-3)	PQ: 248-166. A: 249-163. Mar. 3, 1993.
H. Res. 119, Mar. 9, 1993	MC	H.R. 4: NIH Revitalization Act of 1993	13 (D-4; R-9)	8 (D-3; R-5)	PQ: 247-170. A: 248-170. Mar. 10, 1993.
H. Res. 132, Mar. 17, 1993	MC	H.R. 1335: Emergency Supplemental Appropriations	37 (D-8; R-29)	1 (not submitted (D-1; R-0))	A: 240-185. Mar. 18, 1993.
H. Res. 133, Mar. 17, 1993	MC	H. Con. Res. 64: Budget resolution	14 (D-2; R-12)	4 (1-D not submitted (D-2; R-2))	PQ: 250-172. A: 251-172. Mar. 18, 1993.
H. Res. 138, Mar. 23, 1993	MC	H.R. 570: Family planning amendments	20 (D-2; R-12)	8 (D-4; R-5)	PQ: 252-164. A: 247-165. Mar. 24, 1993.
H. Res. 147, Mar. 31, 1993	C	H.R. 1430: Increase public debt limit	0 (D-0; R-0)	0 (D-0; R-0)	PQ: 244-168. A: 242-170. Apr. 1, 1993.
H. Res. 149, Apr. 1, 1993	MC	H.R. 1578: Expedited Rescission Act of 1993	8 (D-1; R-7)	3 (D-1; R-2)	A: 212-208. Apr. 28, 1993.
H. Res. 164, May 4, 1993	O	H.R. 820: National Competitiveness Act	NA	NA	A: Voice Vote. May 5, 1993.
H. Res. 171, May 18, 1993	O	H.R. 873: Gallatin Range Act of 1993	NA	NA	A: Voice Vote. May 20, 1993.
H. Res. 172, May 18, 1993	O	H.R. 1159: Passenger Vessel Safety Act	NA	NA	A: 308-0. May 24, 1993.
H. Res. 173, May 18, 1993	MC	S.J. Res. 45: United States forces in Somalia	6 (D-1; R-5)	6 (D-1; R-5)	A: Voice Vote. May 20, 1993.
H. Res. 183, May 25, 1993	O	H.R. 2244: 2d supplemental appropriations	NA	NA	A: 251-174. May 26, 1993.
H. Res. 186, May 27, 1993	MC	H.R. 2264: Omnibus budget reconciliation	51 (D-19; R-32)	8 (D-7; R-1)	PQ: 252-178. A: 236-194. May 27, 1993.
H. Res. 192, Jun. 9, 1993	MC	H.R. 2348: Legislative branch appropriations	50 (D-6; R-44)	6 (D-3; R-3)	PQ: 240-177. A: 226-185. Jun. 10, 1993.
H. Res. 193, Jun. 10, 1993	O	H.R. 2200: NASA authorization	NA	NA	A: Voice Vote. Jun. 14, 1993.
H. Res. 195, Jun. 14, 1993	MC	H.R. 5: Striker replacement	7 (D-4; R-3)	2 (D-1; R-1)	A: 294-129. Jun. 16, 1993.
H. Res. 197, Jun. 15, 1993	MO	H.R. 2333: State Department, H.R. 2404: Foreign Aid	53 (D-20; R-33)	27 (D-12; R-15)	A: 294-129. Jun. 16, 1993.
H. Res. 199, Jun. 16, 1993	C	H.R. 1876: Ext. of "Fast Track"	NA	NA	A: Voice Vote. Jun. 22, 1993.
H. Res. 200, Jun. 16, 1993	MC	H.R. 2295: Foreign Operations appropriations	33 (D-11; R-22)	5 (D-1; R-4)	A: 263-160. Jun. 17, 1993.
H. Res. 201, Jun. 17, 1993	O	H.R. 2403: Treasury-postal appropriations	NA	NA	A: Voice Vote. Jun. 17, 1993.
H. Res. 203, Jun. 22, 1993	MO	H.R. 2445: Energy and water appropriations	NA	NA	A: Voice Vote. Jun. 23, 1993.
H. Res. 206, Jun. 23, 1993	O	H.R. 2150: Coast Guard authorization	NA	NA	A: 401-0. Jul. 30, 1993.
H. Res. 217, Jul. 14, 1993	MO	H.R. 2010: National Service Trust Act	NA	NA	A: 261-164. Jul. 21, 1993.
H. Res. 218, Jul. 20, 1993	O	H.R. 2530: BLM authorization, fiscal year 1994-95	NA	NA	
H. Res. 220, Jul. 21, 1993	MC	H.R. 2667: Disaster assistance supplemental	14 (D-8; R-6)	2 (D-2; R-0)	PQ: 245-178. F: 205-216. Jul. 22, 1993.
H. Res. 226, Jul. 23, 1993	MC	H.R. 2667: Disaster assistance supplemental	15 (D-8; R-7)	2 (D-2; R-0)	A: 224-205. Jul. 27, 1993.
H. Res. 229, Jul. 28, 1993	MO	H.R. 2330: Intelligence Authorization Act, fiscal year 1994	NA	NA	A: Voice Vote. Aug. 3, 1993.
H. Res. 230, Jul. 28, 1993	O	H.R. 1964: Maritime Administrative authorization	NA	NA	A: Voice Vote. Jul. 29, 1993.
H. Res. 246, Aug. 6, 1993	MO	H.R. 2401: National defense authorization	147 (D-103; R-44)		A: 246-172. Sept. 8, 1993.
H. Res. 248, Sept. 9, 1993	MO	H.R. 2401: National defense authorization			PQ: 237-169. A: 234-169. Sept. 13, 1993.
H. Res. 250, Sept. 13, 1993	MC	H.R. 1340: RTC Completion Act	12 (D-3; R-9)	1 (D-1; R-0)	

Note.—Code: C-Closed; MC-Modified closed; MO-Modified open; O-Open; D-Democrat; R-Republican; PQ: Previous question; A-Adopted; F-Failed.

Mr. Speaker, I reserve the balance of my time.

Mr. DERRICK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a matter that none of us here in the Congress really want to deal with or like to deal with. It is a very unpleasant matter because it is truly one of the great financial blemishes against our Government over the history of our country, compared with the Teapot Dome scandal and other scandals over the years.

As everyone in this body knows, because of certain economic schisms back in the late 1970's and early 1980's, the net worth of the savings and loan institutions of this country plummeted

from around \$4 billion or \$5 billion to a minus figure. They had more liabilities than they had assets, and many of them were, as a practical matter, in bankruptcy. And the only way they were kept going was by borrowing money. Eventually the Congress was faced with the problem and tried to deal with the situation without getting a lot of taxpayer dollars involved through increasing the powers of the S&L's, or making them more like banks. Whereas the traditional loan portfolio of the S&L's was residences and some commercial assets, their powers were expanded to allow them to get into more commercial loans, in the hopes that by developing these addi-

tional areas, the S&L's would be able to pull themselves out of their current situation.

Unfortunately, that did not work due to plummeting real estate values in the Southwest and in the West. In addition because there were some unscrupulous operators who took advantage of the situation, by 1984 or 1985 it was obvious that what the Congress had done in the early 1980's was not working.

At that time the Congress and the Reagan administration—the administration, I believe, did not want to have the S&L's fall on its watch, they wanted the next President to deal with it—and the Congress did not deal with it either.

□ 1050

So, they both are subject to criticism for not dealing with it at that time.

On George Bush's behalf, and I admire him for this, immediately, when he took office, he did take the problem and start dealing with it, as unpopular as it was, and we discovered the taxpayers were going to have to bail out their situation to the tune of several hundreds of billions of dollars.

Now this money does not go to compensate some disreputable operator of an S&L. What this money goes for is to pay off the depositors because they were insured up to a \$100,000 each by their Government, and that is where this money goes.

That is not to say most of the S&Ls in this country were run on sound fiscal policy and remain strong today. I know in my State of South Carolina, I think maybe we had one major S&L have financial difficulties, but in most parts of the country they remain today, even stronger than they were back in the 1970's.

But the net result of this is that we had an obligation that was incurred by our Government for the depositors who had invested their money, up to a \$100,000 in these S&L's, and the Congress has been dealing with it, Republicans and Democrats, and, as I said, I commend President Bush for taking the initiative on a very unpopular thing. But it is something that we have to do; it is the responsibility of Government.

Now my friend, the gentleman from New York [Mr. SOLOMON], mentioned several amendments that were not made in order. That is true, and that is not to say that some of these amendments were not very worthwhile. But I think we have to understand that this legislation before us has one primary purpose, and the most important word, probably, in the title of the legislation is "completion," to bring it to an end. The title of it is "Resolution Trust Corporation Completion Act." "Completion" is the most important word there, and the limitation is put on, that they go out of business in 1995, and hopefully we will be able to put an end to a most unfortunate chapter in the fiscal affairs of this country.

To do that, Mr. Speaker, \$26 billion are involved. Eighteen billion dollars of that has already been appropriated and authorized. Another \$8 billion is yet to be appropriated, and hopefully, if we can get this piece of legislation through, we will bring this matter to an end and be able to get on with our business. This matter has been something that no one wanted to deal with, but it is like going to a bank and signing a note, or cosigning a note, for someone, which we did as a government, and that note coming due, and the payment is not made, and then renege on what we promised to do.

As for the amendments, the one amendment limiting the accounts to

\$100,000, I think it is a very positive amendment and one that, given a different situation in a piece of legislation that I think should come before this body to deal with this, I would certainly support. But I say to my colleagues, "I think, when you talk about this being a limited rule, it is a limited rule in that there is just one major amendment made in order."

I think that we have to understand also that this legislation has a limited purpose, and the purpose of this legislation is to bring the S&L business to a closure, to completion, hopefully by March 1995.

Mr. Speaker, I reserve the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Pennsylvania [Mr. WALKER], chief deputy whip of the Republican Party.

Mr. WALKER. Mr. Speaker, I was fascinated by what we just heard from the gentleman from South Carolina [Mr. DERRICK] about the nature of this bill and the reason why it has to be limited. We seem to have a very short memory in this House. Just a few weeks ago we were being told how the Committee on Rules was going to make every effort to bring bills to the floor under open rules, and now we are right back to the same old process, that wherever they do anything with the least bit of controversy connected with it, we end up with a closed rule, and in this case many of the Members were willing to have their amendments made in order by the committee, and the committee saw fit not to even make those amendments in order so that we had a closed rule that at least covered the broad gamut of the legislation.

And for the gentleman to say this bill has a very limited purpose is also somewhat amusing when we understand that this bill covers employment and contracting quotas. It extends the life. He says it is a completion act. This is not a completion act; this extends the life of the RTC for 18 more months, so this is not completing it. This is giving it new life, and it is giving it new life for more money. What we are doing is adding more money to the pot to be spent, and what are these people spending the money on? Well, they have been spending the money on all kinds of interesting little items.

For example, Mr. Speaker, they spent \$199 million for attorneys fees during this period of time, from January 1 of this year to July 31 of this year, and they collected \$114 million in the same time. So, we are paying \$199 million in attorneys fees and only getting back \$114 million. Now there is something wrong here, folks. As my colleagues know, this is not an operation which is doing things the way I would suggest is good economics.

Then take another look at how we are spending the taxpayers' money

here. This is the money we are going to give them for another 18 months. They are paying \$16,000 a day to the Federal Express for overnight delivery. That is kind of a high bill that we have got here. The RTC general counsel picked up \$779, taxpayers' money, and went to the Superbowl in Atlanta. My colleagues, I would suggest that maybe that is not something the taxpayers want to do. And poor screening of personnel resulted in 6,000 money orders being lost worth \$6 million.

We need to do better, my colleagues, and this bill should be rejected; the rule should be rejected.

Mr. DERRICK. Mr. Speaker, I yield 6 minutes to the gentleman from North Carolina [Mr. NEAL].

Mr. NEAL of North Carolina. Mr. Speaker, I rise in support of the rule allowing for consideration of the Resolution Trust Corporation Completion Act, H.R. 1340.

Congress created the RTC in 1989 to resolve the large number of savings and loans which became insolvent during the 1980's. Its mission is to resolve failed thrifts and honor the Government's promise to insured depositors. Once this mission is complete, the job of resolving failed savings associations will be transferred to the Federal Deposit Insurance Corporation, which will use funds from the savings association insurance fund, SAIF.

The funds provided by H.R. 1340 will complete the resolution of these failed thrifts.

H.R. 1340 is a strong bill. The Banking Committee carefully analyzed the RTC's funding needs and investigated the criticisms brought against the agency's policies and practices by the public, auditors and Members of Congress. The bill provides adequate funds to complete the job of protecting depositors while making necessary changes in the RTC's operating procedures to address the criticisms of the agency's practices. In short, it protects this Nation's depositors at failed thrifts and requires the RTC to make serious management reforms.

This bill was reported by a strong bipartisan vote, 35-16, from the Banking Committee. It has the support of the administration and of many private sector groups. A letter to all Members of the House from 22 groups—including the American Bankers Association, the Independent Bankers Association, the National Association of Realtors and the National Association of Home Builders, as well as the Consumer Federation of America and the Low Income Housing Coalition—makes the case well. It says,

"[t]he United States government has an obligation to honor its commitment to depositors under the Federal deposit insurance program. To deny funding would send a dangerous signal to depositors. It would also generate a shock wave which would be felt throughout the financial system as a whole, with unfortunate side effects for business expansion and job growth."

I submit the entire letter to be printed in the RECORD.

One important fact often gets lost in voting on RTC funding: The RTC does not vail out the shareholders, officers or directors of failed savings and loans. When an institution fails, the shareholders are wiped out, and the RTC gives them nothing. Officers and directors also receive nothing when the institution is closed. The only people bailed out in the savings and loan crisis are the insured depositors, who relied on the U.S. deposit guarantee.

I recognize that voting for this bill is not politically easy. However, there are no alternatives. Without such funding, the U.S. Government would be forced to renege on its deposit insurance guarantee, which would have disastrous economic and political consequences.

This is not a partisan rule. While it precludes amendments proposed by Republicans, it also precludes amendments proposed by Democrats. Frankly, most of those were amendments that have been soundly defeated in the past and they were proposed by Members who had no intention of voting for final passage even if their amendments were adopted.

This is a fair rule. It provides debate on a bipartisan leadership amendment which incorporates many Republican positions and addresses many Republican, as well as Democratic, concerns. Both parties were actively involved in the drafting of this amendment and were able to reach a satisfactory compromise.

Specifically, the amendment addresses Republican concerns with funding for the SAIF, the budget implications of the various management reforms and the affordable housing program provisions, and the RTC's contracting procedures. It also extends the authority of the RTC to receive insolvent thrifts by 18 months so that the RTC has sufficient time available to finish the job of resolving the thrift crisis.

Voting for this rule to consider H.R. 1340 is a vote for responsibility: Congress cannot shirk its duty to provide funds for insured depositors any longer. Delay is costing the American taxpayer \$3 million per day. The American people want us to deal squarely with this issue, and not hide behind false hopes that this problem will eventually go away if we ignore it long enough.

This bill seeks to provide enough funding to the RTC so that Congress should never again have to vote on more funding for the RTC. If this bill is defeated now, or if its funding provisions are reduced, Congress will be faced with this issue again in the future.

With passage of this bill, we can finish the job of protecting America's depositors, and close the curtain on the thrift crisis once and for all.

I urge your support for the rule on H.R. 1340.

□ 1100

Mr. Speaker, I include here the full text of the letter to which I referred, as follows:

JUNE 23, 1993.

DEAR REPRESENTATIVE: In anticipation of a floor vote on legislation to fund the Resolution Trust Corporation, we the undersigned organizations respectfully request your support for H.R. 1340, the Resolution Trust Corporation Completion Act.

As reported by the House of Representatives Committee on Banking, Finance and Urban Affairs, H.R. 1340 requires no new appropriation of federal funds for the RTC, and imposes certain management reforms on the RTC to ensure responsible use of any taxpayer dollars. H.R. 1340 simply makes available \$18.3 billion for resolution of failed thrifts; funds which were previously appropriated in 1991, but never spent. H.R. 1340 also cuts in half the \$32 billion originally authorized in 1989 for the Savings Association Insurance Fund (SAIF). This reduction to \$16 billion reflects the reduced funding needs for SAIF. Moreover, prior to an appropriation for SAIF, the FDIC must meet stringent certification requirements.

The RTC has successfully resolved 654 insolvent saving and loan institutions since passage of the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) in 1989. Nevertheless, 85 institutions with \$53.2 billion in depositor accounts remain in conservatorship. Every day that resolution funding is delayed, it costs the American taxpayer \$3 million. The American people cannot afford to delay any longer. Moreover, passage of H.R. 1340 will facilitate growth and economic recovery in the housing and real estate industries to the benefit of the entire country.

The support the bill received in the Senate and the House of Representatives Banking Committee has been broadly bipartisan. This program is designed to protect depositors who placed their savings in insured institutions. No federal funds have been used to "bailout" bankrupt S&L's or to pay off shareholders.

The United States government has an obligation to honor its commitment to depositors under the Federal deposit insurance program. To deny funding, would send a dangerous signal to depositors. It would also generate a shock wave which would be felt throughout the financial system as a whole, with unfortunate side effects for business expansion and job growth.

Failure to pass H.R. 1340 may have adverse consequences for an economic recovery. Leaving institutions in conservatorship could cause severe disruptions in credit availability to borrowers, many of which are dependent on funding for ongoing projects. Even borrowers with performing loans may find that renewals or obtaining credit under previous loan commitments are not forthcoming.

Each day we delay the funding only exacerbates the problem. Credit worthy borrowers searching to renew or refinance existing loans may find institutions in conservatorship unable or unwilling to respond to their credit needs. This could seriously hamper small business growth, the employment it generates, and impede any meaningful economic recovery.

Again, we urge you to vote in favor of H.R. 1340, the Resolution Trust Corporation Completion Act, when it comes to the floor of the House of Representatives.

Respectfully yours,
American Bankers Association.

American Resort Development Association.

Association for Commercial Real Estate.
Association of Local Housing Finance Agencies.

Council for Rural Housing and Development.

Consumer Federation of America.
Independent Bankers Association of America.

International Council of Shopping Centers.
Low Income Housing Coalition.

Mortgage Bankers Association of America.
National Apartment Association.

National Association of Home Builders.
National Bankers Association.

National Association of Industrial and Office Parks.

National Association of Realtors.
National Council of State Housing Agencies.

National Farmers Organization.
National Realty Committee.

National Multi Housing Council.
Real Estate Capital Recovery Association.

Small Business Legislative Council.
The Schuyler Group.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, much of what the distinguished gentleman from North Carolina [Mr. NEAL] just said is very true, but what is also true is that if all the Republican amendments, all nine of them, had been made in order, and if any one of them would have passed, they would have improved the bill, not hurt the bill. It would have made what the gentleman said even more true.

Mr. Speaker, I yield such time as he may consume to the very distinguished ranking Republican of the Committee on Banking, Finance and Urban Affairs, the gentleman from Iowa [Mr. LEACH].

Mr. LEACH. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, as Members know, I support the need to resolve the RTC issue, and I intend to support the underlying bill that will be before us this morning, but it is impossible as a member of the minority not to support the minority's position on the rule itself.

This is a very controversial bill, a very large bill, with multibillion-dollar implications, and whether I or any other Member on this floor may like or dislike some of the amendments filed with the Rules Committee, or any other amendment that any other Member of this body wants to raise on the floor, is irrelevant. Those amendments should be made in order. Nonmembers of this committee of jurisdiction deserve a chance to reflect their judgment and exert their will.

Mr. Speaker, I would stress this: Fairness is not a circumstance in which both parties are precluded from the right to offer amendments. Fairness in the legislative body is one in which all Members of the body have the right to offer amendments. In America, after all, if we really think things through, process is our most important product. Good rules make good neighbors. They also make for better legislation.

Therefore, Mr. Speaker, although I will vote for the bill itself, I am compelled to urge a "no" vote on the rule.

Mr. DERRICK. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of the rule, the closed rule or the modified-closed rule that is before us.

Mr. Speaker, the issue of the S&L problems, the honoring of the deposit insurance, has been with us for some time. Since 1989, we have had numerous measures, especially in 1989 when we had a measure before the House to deal with it, and subsequent to that we have had several measures before the House, some of which have been successful, others of which have not been successful, and all of those rules were modified-open or modified-closed rules. They were not open rules by which any Member could offer an amendment, as with tax and appropriation measures allowing full amendment process is not and has not and will not be the practice.

I think the basis for such process is that the fundamental problem here in terms of honoring the deposits of savers across this country, and we have to try to set up a government facility to intelligently and completely deal with the assets from failed institutions. That basically is what is before us.

We have had numerous ideas offered on the floor at various times. Certainly in committee it was a completely open process in terms of amendments being offered. But, frankly, I do not think that with the crisis that exists with regard to S&L's and the dollars which are needed, which are substantial, in this bill, \$18 billion being released that is already appropriated and another \$8 million being authorized for the policy path for the takeover by SAFE of failed institutions, we really need to revisit fundamentally every issue that touches on financial institutions. For instance, there is the suggestion that we ought to limit the deposit insurance to \$100,000, something I favor. But make no mistake about it, that would have a profound effect on the marketplace today if we would bring it up. It really deserves to be considered deliberately in the context of overall reform legislation with regard to banking, branch banking, interstate banking, and other matters. The same should be realized and acknowledged.

We have had in the past and will have such issues on the floor. In the future, I think the intention is to bring those issues up in an orderly way but not in this crisis legislation. In fact many amendment suggested by Members today on the floor wouldn't be permitted on an open rule they amend the budget act, provide spending and policies that affect numerous committees

and topics that are not within the scope of the legislation before the House. They don't seem to consider this issue under regular order but want shotgun amendments that would likely kill the legislation and defeat the purpose of meeting the responsibility inherent in the Government Deposit Insurance Program.

Mr. Speaker, I urge the Members to vote for this rule and also for final passage of the measure.

Mr. DERRICK. Mr. Speaker, would the Chair inform us as to how much time remains?

The SPEAKER pro tempore (Mr. MONTGOMERY). The gentleman from New York [Mr. SOLOMON] has 20 minutes remaining, and the gentleman from South Carolina [Mr. DERRICK] has 10 minutes remaining.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have just heard the previous speaker say that he is in favor of limiting to \$100,000 the guaranteed banking deposit. We have heard the manager of this rule say he is in favor of it, everybody on both sides of the aisle is in favor of it; yet we are going to be deprived of voting on it on the floor of this House. That is what is wrong with this rule. That is why it ought to be defeated.

Mr. Speaker, I yield 3 minutes to the distinguished long-time member of the Committee on Banking, Finance and Urban Affairs, the gentleman from Florida [Mr. MCCOLLUM].

Mr. MCCOLLUM. Mr. Speaker, I thank the gentleman for yielding this time to me, and I think the gentleman has pointed out very ably what is wrong with this rule and why it should be defeated.

I happen to be opposed not only to the rule but to the underlying bill. But at the moment, as to the matter before us on the rule, the fact is that we were not as the minority, or for that matter, some of the majority that was interested in some of these amendments, allowed to offer an amendment on minority contracting that would strike some very egregious provisions that are in this bill, or an amendment to cut the RTC funding, which a lot of us think should not be there at all, but others believe they are just simply inflated and would like to reduce it by sizable amounts, since those are multiple billions of dollars.

There was no allowing of an amendment out here on the floor to limit the excessive RTC and FDIC salaries, which many believe have been exaggerated and would like to have the opportunity to vote on. And there was no opportunity to vote on a pay-as-you-go limitation, which many would like to have had an opportunity to vote on.

The rule is not fair in that regard, but it is also not fair in the way it crafted a sort of a compromise in the back room between, I guess, the chair-

man of the Committee on Banking, Finance and Urban Affairs and the chairman of the Committee on the Judiciary over how we handle the extension of the statute of limitation on directors' and officers' liability for the kind of things that might have been going on in S&L's in the past.

□ 1110

A lot of us do not believe that these matters should be retroactive. In the Committee on the Judiciary at least, and I serve on that committee as well, we provided a provision that was to come to the floor that would have stripped out the retroactive feature and not allowed any of the extension of the statute of limitations to go back and look backward, which is really an inherently unfair thing to do for anybody. We are having trouble as it is to get officers and directors to serve in banks.

But, no, there is a decision made in this self-executing rule that we will not be able to amend out here today that puts retroactivity back, at least for a portion of those provisions dealing with the statute of limitations.

On the underlying bill, it is asking for \$18.3 billion more for the RTC. The Government Accounting Office says at most they need \$11.9 billion. They have \$7 billion in cash on hand. They could borrow from the Treasury on a line of credit \$5 billion. They have \$38 billion in assets they could borrow against.

There is no reason in the world we need to be out here with this bill at all today, and I certainly hope my colleagues recognize that when we get the full debate.

Then in the minority issue, that we are not allowed to amend today, except by this agreed upon amendment that improves it around the edge, and adds I think more confusion to it, we are putting quotas within quotas and locking it into statute. And even though there is going to be gobbledy-gook out here on the floor saying, "Well, the underlying present law provisions apply," where we already know we have minority contracting going on for the tune of \$780 million, the fact of the matter is that the provisions in the banking bill are still going to stay there, the provisions that do provide for quotas.

What is a court going to do? Who is going to litigate this? How much is it going to cost?

I would submit, voting for this bill in the end, no matter what happens on that amendment, is going to result in a vote for quotas in this bill, and for minority quotas, in setting forth how many women, how many blacks, how many Hispanics, and so forth, in percentage can be given contracts by the RTC.

We have no business passing the bill today. We certainly have no business passing this rule. I urge a no vote on the rule, and ultimately, should it prevail against my wishes, I certainly

hope the Members of this body would vote this bill down and send it back to committee. We do not need the funding, we do not need the bill.

Mr. DERRICK. Mr. Speaker, I yield 3 minutes to the distinguished chairman of the Committee on Banking, Finance and Urban Affairs, the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Speaker, I certainly rise in strong support of H.R. 1340 and the bipartisan leadership amendment, and especially this rule now before you.

In this bill, Democrats and Republicans have worked together to do what is best for the country. Not the stockholders, not the bond holders, not the special interests that profited from the debacle known as the S&L scandal. And there are those here that would like for us to go back and protect some of them, as the recent attempts in the so-called bipartisan agreement, which fortunately could not meet the budget requirements and which I would never stand for. If I had ever thought that anything I had recommended would bail out or help stockholders or bond holders, I would not be before you.

But today we have finally gotten a truly bipartisan agreement on this bill. It has taken weeks, it has taken months. It took the diligent work of a lot of members of the Committee on Banking, Finance and Urban Affairs, on both sides.

Consequently, this bill resolves concerns of both the Democrats and the Republicans. It guarantees that the new administration will implement many long overdue management and fiscal reforms. It will allow the RTC to dispose of assets quickly, without cutting out local investors and contractors. It will offer opportunities to minority and women-owned businesses, while continuing to resolve savings and loans at the least possible cost.

Most importantly, it will continue to protect the millions of our constituents whose life savings sit in terminally ill savings and loans.

To bring H.R. 1340 to the floor today, Members on both sides of the aisle participated in the open extensive debates at subcommittee and full committee. Now the House must move on in that same bipartisan spirit.

If we sit here in Washington quarreling over small changes or continued sustained efforts to protect the malefactors that have profited thus far without getting caught by the law, and which, incidentally, I want to correct the statement made by one of the predecessor spokesman who said that he thought that that part having to do with the extension of the statute of limitations was something concocted between the chairmen of the Committee on the Judiciary and Banking, Finance and Urban Affairs, that is a total falsehood. We referred sequentially that part to the Committee on the Ju-

diciary, and what has resulted is what we have in this bill as the action of the Committee on the Judiciary, which should have and did have total and complete jurisdiction.

So let us not sit here and quibble, while the taxpayer is losing \$6 million a day for these dead institutions, that cannot be resolved because you are not giving them the money to do it with.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I was somewhat shocked to hear the most respected chairman of the Committee on Banking, Finance and Urban Affairs, stand up here and support a closed rule. The gentleman, for all the years I have known him, has come before the Committee on Rules and requested open rules, because he is a fair chairman.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, let me clarify that point. I have always advocated open rules. But since you all got your way on open rules recently and I have seen the results of unnecessary obstructionism, I have modified my thinking on that.

Mr. SOLOMON. Mr. Speaker, reclaiming my time, the gentleman from Texas [Mr. GONZALEZ] cannot even point to one bill where that has happened. I will be glad to carry on this conversation with the gentleman a little bit later.

Mr. Speaker, I yield 3 minutes to my very good friend, the gentleman from Wisconsin [Mr. ROTH], who is not only an expert in American banking, but an expert in international banking, and is one of the senior members on the Committee on Foreign Affairs.

Mr. ROTH. Mr. Speaker, I thank my good friend for yielding.

Mr. Speaker, let me correct everybody's statements here this morning. This bill doesn't have a thing to do with Democrats, it does not have a thing to do with Republicans, and it does not have a thing to do with protecting savers. This bill in truth has only one purpose, to siphon \$18 billion from taxpayers' pockets. This will be a \$18 billion transfusion to RTC. And that is the long and short of it.

All the other verbiage is just plain smoke.

The reason for this bill is to get more taxpayer money for RTC.

Mr. Speaker, I had an amendment, before the Committee on Rules. This amendment said rather than having Congress reach into the taxpayers' pockets again, let Congress allow RTC to borrow against their assets. RTC has \$84 billion in assets. What happened to our amendment? The Committee on Rules said no to my amendment. Why? Because a majority on the committee are looking for more dollars for RTC.

Now, this amendment was a serious endeavor. This amendment was en-

dorsed by Bill Seidman. There is no one in this House, outside maybe the chairman of the Committee on Banking, Finance and Urban Affairs, that knows more about RTC than Bill Seidman. Bill Seidman has strongly endorsed that amendment. But the Committee on Rules would not go along with it. Why? Again, because the leadership wants 18 billion taxpayer dollars to go into RTC.

RTC does not need more taxpayer dollars. Bill Seidman, the former head of RTC-FDIC, was correct in saying let them borrow against their assets, rather than procuring more taxpayer dollars.

What you are going to do here today by giving RTC \$18 billion more, as sure as night follows day, in a few months you will be back again looking for more money. You know why? I can tell you, because when Secretary of the Treasury, Mr. Bentsen, was before our committee, he requested \$45 billion. But we told him he could not get that through Congress. So he reconsidered and changed his request to \$18 billion.

When I asked him, "If we give you, Mr. Secretary, \$45 billion, could you close up RTC this year?" what did he say? "No, I can't give you those assurances."

Therefore, I can give you the assurance that if you give RTC \$18 billion today, they will be back tomorrow for more.

Do you know why you are not closing down RTC this year like Albert Casey former CEO of RTC said he could do if he would have been kept on the job? Because you have 7,700 employees down at this department. And the strongest special interest group of all is what? It is the bureaucracy.

You have a payroll at RTC of \$360 million a year. You are going to have us believe that you are going to shut this agency down? No way.

You have legal fees, outside legal fees, of \$600 million a year. You think these law offices here in Washington who are getting \$600 million a year are going to say, "Let's close down RTC"? Let us be honest with the taxpayers of America. If we were honest with them, we would close out RTC this year and would not give \$1 to RTC. We would do as Albert Casey said: We would allow them to borrow money from the assets they have, and close RTC this year.

□ 1120

RTC is going to keep going on and on and on. Why? Because you in this Congress do not have the courage as a body to say "no" to this special interest group.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. SAM JOHNSON], a member of the Committee on Banking, Finance and Urban Affairs.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I rise in opposition to this

rule. This rule before us makes in order only one amendment, one that extends the life of the RTC for 18 months so that more taxpayer money can be wasted.

It appropriates \$18-plus billion to the RTC. That is all new, borrowed money, debt. It authorizes \$8 billion for the savings insurance fund, when they say they need \$18 billion, which tells me we are not going to protect the depositors. We are going to give them less protection. And it includes some ridiculous contracting quota provisions.

What does that mean? More waste, more debt, less depositor protection and contract quotas.

I offered an amendment before the Committee on Rules which would have reduced the funding level of the RTC by \$6.5 billion. The RTC currently has \$7 billion in cash on hand, not to mention \$5 billion in borrowing authority that the gentleman from Florida [Mr. MCCOLLUM] mentioned.

My amendment simply would fund the RTC at what the GAO says they really need, \$11.9 billion. However, this is a close rule and does not allow any amendment to cut costs or save taxpayers money.

The reason I filed with the Committee on Rules is because I do not want to waste any more taxpayer dollars. Goodness knows our budget debt now is \$4 trillion, and the Congress cannot afford to give anybody an extra \$6.4 billion. This restrictive rule is just one more example of the Democrat-controlled Committee on Rules slamming the door in the faces of those Members who are trying to be fiscally responsible and save the taxpayers' dollars.

The American people deserve better. The American taxpayers are going to be the losers. I just found out that this year alone the RTC, from January to July, spent \$119 million on outside legal fees. During that same period, they collected \$114 million. Guess what? That is losing taxpayer dollars every day they are not managing our funds.

I urge both Democrats and Republicans to vote against this rule. It is not a fair rule. It is not a fair bill for the taxpayers of this Nation.

Mr. DERRICK. Mr. Speaker, for the purposes of debate only, I yield 2 minutes to the distinguished gentleman from New York [Mr. FLAKE].

Mr. FLAKE. Mr. Speaker, I rise today in support of the consideration of the Resolution Trust Corporation Collection Act.

As chairman of the Subcommittee on General Oversight, Investigations, and the Resolution of Failed Financial Institutions, I have held a number of hearings on this particular issue. It is clear to me that it is time for us to stop the procrastination and begin the process of cleaning up what is a burden for all of us by virtue of the strain that it places on the financial services industry.

Obviously, no one likes to vote for the money to clean up the problem. We all would agree that it should have never happened in the first place. But the reality is that it did. It is time for us to remove this particular issue from our political agenda, deal with the reality that there is a need, which must be met and must be met immediately.

There is no denial that we have an obligation to those persons who relied on the promises of the Federal Government, those individuals who need our protection, those who are the depositors in these institutions.

In reality, we must all agree that there is no magic solution to the problem. If that were so, the problem could disappear with but the snap of a finger. It cannot be done that way, Mr. Speaker. Therefore, we must vote on it.

The only way to resolve this issue once and for all is to provide the necessary deposit protection money. It is also important to note that the act imposes a wide variety of reforms on the RTC, which would do much to improve the Corporation's performance and to ensure smooth closure of the Resolution Trust.

Also there is only one amendment in order. This amendment was drafted with bipartisan support, in spite of what those who are opposed to it say. It is truly a compromise piece of legislation.

Therefore, I am asking that we vote for the rule, vote for the bill. Let us protect the depositors to whom we have made this obligation, and let us get this matter behind us once and for all.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Alabama [Mr. BACHUS], a member of the Committee on Banking, Finance and Urban Affairs.

Mr. BACHUS of Alabama. Mr. Speaker, the gentleman from North Carolina [Mr. NEAL] and the gentleman from South Carolina [Mr. DERRICK] have talked about an obligation to the depositors of RTC. We have that obligation, but we also have an obligation to the American people to fund this bill with the right amount of money and not with an excessive amount of money.

The Committee on Rules has disallowed an amendment or two amendments by the gentleman from Texas [Mr. SAM JOHNSON] and myself which would save the American people \$7 billion. In the words of Everett Dirksen, "A million here, a million there, pretty soon you are talking about real money," let me tell my colleagues, a billion here and a billion there, and soon we are talking about real money.

Let me talk to my colleague for a minute about some of this real money. We have an obligation to the depositors, but we do not have an obligation to RTC employees to continue to pay them 30 percent more in salaries than we pay other Federal employees.

Let us take a look at what we are paying RTC employees. Should we ever wonder, when we are paying this kind of salaries, why they cannot seem to get the job done. With this kind of salaries, they will be working into the next century.

An entry-level secretary at all other Federal agencies in Washington starts at \$22,000. But not at the RTC. At the RTC, they pay them 30 percent more, \$29,000.

The gentleman from Texas [Mr. GONZALEZ] talked about small change, \$7,000 per entry-level secretary is not small change. But it gets worse.

Special assistants are paid \$66,000 a year at other Federal agencies; \$86,000 at RTC, \$20,000 more. Small change?

We were not allowed to put an amendment in, which would have changed that. And how about their general counsel? The general counsel over at Commerce makes \$115,000. How about at RTC? The general counsel, doing the same job, makes \$40,000 more, \$40,000 more than if he worked for the Post Office, if he worked for the Department of the Interior and on and on. And they get free medical, where other Federal employees have to pay for theirs.

Now, folks, what this means is that not only are they paid 30 percent more but, in 1989, we had nine employees at this small agency making \$100,000. Today, we have 77 employees making over \$100,000, an increase of over eight times.

□ 1130

Mr. Speaker, the gentleman from Texas [Mr. SAM JOHNSON] and I sent around a letter. It says that we want to save the American taxpayers \$7 billion next year.

Let us vote on these two amendments. This is not small change. In the interests of the American taxpayers, let us save this \$7 billion. Let us cut out this outrage. Let us give them real incentives to finish their jobs. Paying them 30 percent more a year is no incentive, it is a disincentive.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have a dilemma today. This measure is a disaster. It was a disaster in the beginning. I fought it on the floor of the House before and I'll fight it again today. The Congress used bad judgment in authorizing the bailout of these savings and loans. What should have occurred is let the healthy ones take over the failing ones and save the taxpayers more than \$100 billion, yet we are on the floor today facing a vote on this rule, extending the life of the RTC for 18 months, letting them spend more billions of dollars, all to go down the drain.

I am not going to use the word fraud, because that is too broad, but look at all the money that went down the

drain from bad judgment by those who started the program and delayed the sale of properties, and put them on the market all at one time, bringing down the cost of real estate stopping the home building industry, stopping the construction industry; bad judgment all the way.

I urge the people of this Nation to take heed of this measure on the floor today, and to watch its outcome. I urge my colleagues to vote against the rule and against the measure, should the rule succeed.

Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. UPTON].

Mr. UPTON. Mr. Speaker, I rise in opposition to this rule. I would like to say that on a bipartisan basis, my friend, the gentlewoman from Ohio [Ms. KAPTUR] and I were prepared to offer an amendment. We went before the Committee on Rules to try to do so. I was surprised, perhaps, when the Committee on Rules decided not to allow our amendment to be offered. Because of that, I rise to say no on this rule.

As we know, the S&L fiasco of the 1980's cost America more money than any other scandal in our Nation's history. What is particularly upsetting to me and to other Members, particularly those of us in the Northeast and Midwest, our region was only responsible for about 6 percent of the problem. But we have been asked to pay 45 percent of the costs.

In fact, as I talked to my local savings institution folks, of which, in Michigan, we literally only had a handful of folks, only a number of institutions that went belly-up, some of them are actually paying a higher premium in Michigan than they are at a similar sized institution in Fort Worth, TX, viewed as probably one of the worst areas in the country.

Because our amendment was denied to be offered today, I would ask our Members on both sides of the aisle to vote no on this rule.

Ms. KAPTUR. Mr. Speaker, will the gentleman yield?

Mr. UPTON. I yield to the gentlewoman from Ohio, who was terrific as we began to prepare this amendment for the House floor today. I know she was as disappointed as I am that we were not able to get our amendment made in order.

Ms. KAPTUR. Mr. Speaker, I thank the gentleman for yielding to me, and have enjoyed working with him on this amendment and on many others.

We went before the Committee on Rules and asked for consideration just to allow this amendment of concern to an entire quadrant of the country, the Northeast-Midwest region, the opportunity to be offered. To repeat those numbers, our region was only responsible for 6 percent of the problem, and it was asked to pay for nearly half of the bill. All we were asking was the opportunity to bring this to the floor, to allow our amendment to be offered, so we could say to those States that were true abusers, which had all these State-chartered institutions that did not regulate, to pay a portion of the bill. We were not even allowed to come to the floor and to offer that amendment.

This is of concern to hundreds of Members from our region. I think it is fair. Our banks, our savings and loans, were making profits. Premiums have been placed on them that I think are truly onerous. That money is flowing to other regions of the country.

We recognize the need to solve the problem, but we should not be muzzled in our ability to come down here on this floor and to represent our constituents in our region of the country. I would say to the gentleman, I think we are proud of the institutions from our region. We are proud of our regulators. They did their job. Other places in the country did not. We should have the opportunity to offer this amendment.

Mr. UPTON. Mr. Speaker, that is exactly our point. I know that in Michigan—probably like Ohio, and I do not know Ohio as well—we had tough regulators. Because our States have done a good job, we are now being penalized by those States that did not. I think it is a travesty that, as Members of the House, we are not able to offer this amendment on a bipartisan basis.

I would also lend credence to the former chairman of the Northeast-Midwest coalition, Howard Wolpe, who no longer serves in this body, as he tried to push this legislation in previous year as well.

The SPEAKER pro tempore (Mr. MONTGOMERY). The gentleman from Tennessee [Mr. QUILLEN] has 1 minute remaining, and the gentleman from South Carolina [Mr. DERRICK] has 5 minutes remaining.

Mr. DERRICK. Mr. Speaker, I reserve the right to close debate.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in the Committee on Rules I offered an amendment to make this measure an open rule but it failed on a partisan vote. I think that that is a poor way to run a railroad. This measure is so important that each Member should have a right to offer amendments and have a full discussion as to whether or not this House should pass this measure.

Mr. Speaker, I urge a no vote on the rule, and I yield back the balance of my time.

The SPEAKER pro tempore. The gentleman from Tennessee [Mr. QUILLEN] yields back the balance of his time, and the gentleman from South Carolina [Mr. DERRICK] has 5 minutes remaining.

Mr. DERRICK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, when I was a small child in my house, my mother had a remedy for anything that became wrong with we children. There were four of us. It did not make any difference whether it was a cold, a headache, or whatever it was. It was a dose of castor oil. That was supposed to make us well. Probably some of the Members went through the same situation.

This is a dose of castor oil that this House, the Senate, and the administration must take for a thrift industry that we did not act on—the Reagan administration, the House, the Senate—as quick as we should have to deal with the situation.

This is because of a decision that the Government made back in the early 1980's that we thought was the right decision, and we thought it was a way that we could save the taxpayers from becoming involved. Unfortunately, that did not work. It did not work, not because we did not think we were doing the right thing, but it did not work because of many things that we had no control over. One was the complete wipe-out of real estate values in large parts of the northwestern United States and in California. Another major reason is unscrupulous operators that were not looked at close enough by our regulators.

Probably the primary reason was that we saw what was beginning to happen. When the Reagan administration saw what was beginning to happen, and my friend, the gentleman from Texas [Mr. GONZALEZ] talked about it back in the early 1980's and said it was something we needed to do, but we had a reticent administration and we had a reticent Congress.

Because of that we compounded the problem and it became, instead of millions, it became billions, and instead of one and two, it became more and more, and we were eventually talking about \$100 billion.

□ 1140

We must accept responsibility for that. And we must take our medicine.

No one wants to vote for this bill. No one likes the idea of voting for it. No one likes the idea of getting up here and defending it. But you know, there is a certain responsibility that goes with the right we have been given to govern, and that right says in this instance that we must, No. 1, vote for this rule.

In this rule we did not tack on in the Rules Committee a lot of things that did not have anything to do with what we are doing here. This bill has one primary purpose, and that is to complete once and for all our involvement on behalf of the people that we represent in the S&L debacle. That is one of the worst debacles that we have seen, fiscally speaking, in the history of our country. To get to that bill we have to pass this rule.

No one, I do not believe, really seriously would want an open rule on something like this. My goodness alive, if we had an open rule we would never do it. We would never get the rule passed, and we would never get the bill passed.

Vote for this rule. It is the responsible thing to do. Vote for this bill, because what this bill does, for the first time in the history of this matter is, bring it to a conclusion, finis, over, in 1995.

Do the responsible thing, take your castor oil and maybe we will get well, and we will get on to other matters.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. QUILLLEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 213, nays 191, answered "present" 1, not voting 28, as follows:

[Roll No. 430]

YEAS—213

Abercrombie	Deutsch	Johnson (GA)
Ackerman	Dicks	Johnson (SD)
Andrews (ME)	Dixon	Johnson, E. B.
Applegate	Durbin	Johnston
Bacchus (FL)	Edwards (CA)	Kanjorski
Baessler	Edwards (TX)	Kennedy
Barca	English (AZ)	Kennelly
Barlow	English (OK)	Kildee
Barrett (WI)	Eshoo	Kleczka
Becerra	Evans	Klein
Beilenson	Farr	Klink
Berman	Fazio	Kopetski
Bevill	Fields (LA)	Kreidler
Bilbray	Filner	LaFalce
Bishop	Fingerhut	Lambert
Bonior	Flake	Lantos
Boucher	Ford (MI)	LaRocco
Brewster	Ford (TN)	Laughlin
Brooks	Frank (MA)	Levin
Browder	Frost	Lewis (GA)
Brown (CA)	Furse	Lloyd
Brown (FL)	Gejdenson	Long
Brown (OH)	Gephardt	Lowey
Bryant	Geren	Mann
Byrne	Gibbons	Manton
Cardin	Glickman	Margolies-
Carr	Gonzalez	Mezvinsky
Chapman	Gordon	Markey
Clay	Gutierrez	Martinez
Clayton	Hamburg	Matsui
Clement	Hamilton	McCloskey
Clyburn	Harman	McCurdy
Coleman	Hastings	McDermott
Collins (IL)	Hayes	McHale
Collins (MI)	Hefner	McKinney
Costello	Hilliard	McNulty
Coyne	Hinchey	Meahan
Cramer	Hoagland	Meek
Danner	Hochbrueckner	Menendez
Darden	Holden	Minge
DeLauro	Hoyer	Mink
Dellums	Hughes	Moakley
Derrick	Jefferson	Mollohan

Montgomery	Rose	Tanner
Moran	Rostenkowski	Tejeda
Murphy	Rowland	Thompson
Murtha	Roybal-Allard	Thornton
Nadler	Rush	Thurman
Natcher	Sabo	Torres
Neal (MA)	Sangmeister	Torricelli
Neal (NC)	Sarpalius	Traffant
Oberstar	Sawyer	Tucker
Oliver	Schenk	Unsoeld
Orton	Schroeder	Valentine
Pallone	Schumer	Velazquez
Parker	Scott	Vento
Pastor	Serrano	Viscosky
Payne (NJ)	Shepherd	Volkmer
Payne (VA)	Sisisky	Washington
Pelosi	Skaggs	Waters
Peterson (FL)	Skelton	Watt
Peterson (MN)	Slattery	Waxman
Pickett	Slaughter	Wheat
Pickle	Smith (IA)	Whitten
Pomeroy	Spratt	Williams
Poshard	Stenholm	Wilson
Price (NC)	Stokes	Woolsey
Rangel	Strickland	Wyden
Reed	Studds	Wynn
Reynolds	Stupak	Yates
Richardson	Swett	
Roemer	Swift	

NAYS—191

Allard	Gilman	Myers
Archer	Gingrich	Nussle
Armey	Goodlatte	Owens
Bacchus (AL)	Goodling	Oxley
Baker (CA)	Goss	Packard
Baker (LA)	Grams	Paxon
Ballenger	Grandy	Petri
Barcia	Greenwood	Pombo
Barrett (NE)	Gunderson	Porter
Bartlett	Hall (TX)	Portman
Barton	Hancock	Pryce (OH)
Bateman	Hansen	Quillen
Bentley	Hastert	Quinn
Bereuter	Hefley	Rahall
Bilirakis	Herger	Ramstad
Bliley	Hobson	Ravenel
Blute	Hoekstra	Regula
Boehlert	Hoke	Roberts
Boehner	Horn	Rogers
Bonilla	Houghton	Rohrabacher
Bunning	Hunter	Ros-Lehtinen
Burton	Hutchinson	Roth
Buyer	Hutto	Roukema
Callahan	Inglis	Royce
Calvert	Inhofe	Sanders
Camp	Istook	Santorum
Canady	Jacobs	Saxton
Cantwell	Johnson (CT)	Schaefer
Castle	Johnson, Sam	Schiff
Clinger	Kaptur	Sensenbrenner
Coble	Kim	Sharp
Collins (GA)	King	Shaw
Combest	Kingston	Shays
Condit	Klug	Shuster
Cooper	Knollenberg	Skeen
Coppersmith	Kolbe	Smith (MI)
Cox	Kyl	Smith (NJ)
Crane	Lancaster	Smith (OR)
Crapo	Lazio	Smith (TX)
Cunningham	Leach	Snowe
Deal	Levy	Solomon
DeFazio	Lewis (CA)	Spence
DeLay	Lewis (FL)	Stearns
Diaz-Balart	Lightfoot	Stump
Dickey	Linder	Synar
Doollittle	Livingston	Talent
Dornan	Machtley	Tauzin
Dreier	Manzullo	Taylor (MS)
Duncan	Mazzoli	Taylor (NC)
Dunn	McCandless	Thomas (CA)
Emerson	McCollum	Thomas (WY)
Everett	McCrery	Torkildsen
Ewing	McDade	Upton
Fawell	McHugh	Vucanovich
Fields (TX)	McInnis	Walker
Fish	McKeon	Walsh
Fowler	McMillan	Weldon
Franks (CT)	Meyers	Wise
Franks (NJ)	Mica	Wolf
Galleghy	Michel	Young (AK)
Gallo	Miller (FL)	Young (FL)
Gekas	Molinari	Zeliff
Gilchrest	Moorhead	Zimmer
Gillmor	Morella	

ANSWERED "PRESENT"—1

Hyde

NOT VOTING—28

Andrews (NJ)	Green	Mineta
Andrews (TX)	Hall (OH)	Obey
Blackwell	Huffington	Ortiz
Borski	Inslee	Penny
Conyers	Kasich	Ridge
de la Garza	Lehman	Stark
Dingell	Lipinski	Sundquist
Dooley	Maloney	Towns
Engel	Mfume	
Foglietta	Miller (CA)	

□ 1207

The Clerk announced the following pair:

On this vote:

Mr. Mineta for, with Mr. Ridge against.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. INSLEE. Mr. Speaker, I was unavoidably detained at the White House during roll-call vote No. 430. Had I been present, I would have voted "aye."

PERSONAL EXPLANATION

Mr. GENE GREEN of Texas. Mr. Speaker, due to a recent series of previously scheduled town hall meetings and individual meetings with constituents I was unable to register my vote.

Had I been present

Rollcall vote 430. I would have voted "aye" on No. 430.

GENERAL LEAVE

Mr. DERRICK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks during the debate on House Resolution 250.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

RESOLUTION TRUST CORPORATION COMPLETION ACT

The SPEAKER pro tempore. Pursuant to House Resolution 250 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1340.

□ 1209

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1340) to provide funding for the resolution of failed savings associations, and for other purposes with Mr. CARDIN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Texas [Mr. GONZALEZ] will be recognized for 30 minutes, and the gentleman from Florida [Mr. McCOLLUM] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Chairman, I want to point out since I spoke on the rule, I will be very brief and then it is my intention to provide some time for the chairman of the subcommittee, the gentleman from North Carolina [Mr. NEAL] to handle the bill and control the time.

Therefore, Mr. Chairman, today, the House has an opportunity to finally close the door on one of the most difficult problems ever faced by this body—the savings and loan crisis.

Since 1989, the savings and loan industry has undergone radical surgery. Hundreds of high-flying institutions that bid up interest rates and handed out money to a cast of unscrupulous characters have been closed. Prudent lending and capital standards have been restored. The S&L industry that remains from the wreckage of the 1980's is well-capitalized, well-run, and well onto the road to long-term health.

During this operation, the Resolution Trust Corporation protected more than \$190 billion of our constituents' savings. The RTC has helped a dying industry recover from a \$13 billion loss in 1988 to record profits in 1992.

Today the House must finish the task. A large number of dead and terminally ill S&Ls remain open for business, losing more than \$3 million every day. Instead of running up the taxpayers' tab, the House should act immediately to move the \$46 billion of assets now under the RTC's control into private hands. Approving the funding to resolve these institutions will unlock credit, which can greatly help the ailing economic recovery.

H.R. 1340 provides additional funds by lifting the time limit placed on monies already appropriated to the RTC. In December, 1991, the RTC Refinancing, Restructuring and Improvement Act made \$25 billion available to the RTC, but only until April 1, 1992. The Corporation used only \$6.7 billion of that appropriation. H.R. 1340 would simply free up the balance of those funds. This amount should be sufficient to complete the RTC's work, making further congressional action unnecessary.

The bill also ensures that the Clinton administration will continue to follow through on its pledges to reform the RTC. These management and fiscal reforms, such as appointing a RTC Chief Financial Officer, are long overdue and sorely needed. The RTC has reached the end of its road and will soon stop taking over S&L's. The changes in-

cluded in both the bill and the bipartisan leadership amendment should be enough to correct problems and allow the RTC to wrap up its business.

Because of the savings and loan crisis, all of our constituents are concerned about the safety of their savings. Parents who open a passbook savings account so that their children can learn to save, or senior citizens who buy CD's to provide for their retirement depend on the "full faith and credit" of the United States to stand behind their deposits. I ask my colleagues to live up to this expectation today and vote aye on this bill.

Mr. Chairman, I am going to yield to the chairman of the subcommittee, the gentleman from North Carolina [Mr. NEAL], who preeminently handled the bill in its initial stages in the Committee on Banking, Finance and Urban Affairs, and he did a great job. I will have what we call the leadership amendments when we enter into the amendatory process which reveals the bipartisan effort that is reflected in these amendments.

Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina [Mr. NEAL], who will also be in control of the time on our side.

Mr. NEAL of North Carolina. Mr. Chairman, I thank the distinguished chairman of the full committee, the gentleman from Texas [Mr. GONZALEZ]. The chairman has done yeoman's work on this bill for many years; in fact, I have hardly seen anyone work harder on anything over a longer period of time, and I thank him for his enormous help with this and for his great leadership of the committee.

Mr. Chairman, I rise in support of H.R. 1340.

This bill is called the Resolution Trust Corporation Completion Act for a reason—it gives the RTC the necessary tools to complete the savings and loan cleanup begun in 1989.

It does so by freeing up funds already appropriated to the RTC, but not expended by it, and by requiring management reforms to increase the efficiency and equity of the RTC's operations. In addition, as amended, it will shift the burden for future failed thrifts onto the S&L industry by reducing by 75 percent the existing authorization for the Savings Association Insurance Fund.

What is this funding needed for? It is needed to honor the Government's commitment to depositors. This funding is not used to bail out shareholders, officers, or directors of failed savings and loans.

During the past 4 years, the RTC has closed over 650 failed institutions. Not one shareholder from those institutions has received one cent from the RTC. Officers and directors of these institutions have also received nothing. The only people "bailed out" are the insured depositors who have relied on the U.S. deposit guarantee.

Where does this funding come from? In 1991, Congress appropriated \$25 billion to the RTC. The RTC did not use all that funding before the time to do so expired. H.R. 1340 simply gives the RTC more time in which to use the funds remaining from the 1991 appropriation. It does not appropriate a single additional dollar.

Some people have suggested that the RTC does not need any more money to finish the job. Do not be misled by false political panaceas. Those people are wrong. The GAO says so, the CBO says so, the administration says so, and the facts say so.

The GAO, whose cost estimates are the lowest, says that existing RTC resources are inadequate to finish the problem.

Mr. McCOLLUM will tell you that Mr. Seidman, former chair of the FDIC, has a different way to skin the cat, but even Mr. Seidman admits that an appropriation would still be needed. His approach would only delay the need for the RTC to receive an appropriation, without reducing the cost to the taxpayer. Moreover, the GAO concluded that Mr. Seidman's approach "could provide a perverse incentive for RTC to dump assets regardless of price and could cost the taxpayer more."

Moreover, RTC funding is not optional. A recent memorandum from the Congressional Research Service states that "without additional appropriations to the RTC or its successors, there would eventually be a default under the deposit insurance guarantees somewhere in the deposit insurance system" and "there can be no doubt that a default would precipitate runs."

Unless we fund the RTC, we risk a collapse of our banking system. As the Congressional Research Service concludes, "even if a panic were halted, the confidence that makes the deposit insurance system valuable for economic stability might be lost permanently." Simply put, if we fail to fund the RTC, we could precipitate a banking crisis that would make 1933 look like a picnic.

Let me also briefly describe the reform package contained in the bill. I'm sure every single Member of Congress has heard at least one story from a constituent about RTC mismanagement—about the overreliance on bulk sales to the detriment of local real estate markets and excessive photocopying costs that would make a law firm blush.

The Banking Committee investigated the criticisms of the agency and crafted a management reform package to address those concerns. This package will be further refined by the bipartisan leadership amendment to incorporate more fully the concerns of Republicans as well as Democrats.

The package includes 20 management reforms. It improves the asset disposition practices of the RTC, including requiring that all real property be offered

for sale on an individual basis before being included in a bulk sale.

It improves contracting procedures and it requires the RTC to give small businesses a better chance to get contracts.

It requires greater oversight against fraud, waste, and abuse.

Moreover, it terminates the RTC a full year earlier than originally scheduled while allowing it to finish the job of resolving the thrift crisis by extending the time it can take over failed institutions by 18 months. It also provides for a transition task force to coordinate the return of the RTC to the FDIC.

Finally, the legislation slashes the existing authorization for the SAIF from \$32 billion to \$16 billion, and the bipartisan amendment to be offered will slash it to \$8 billion. A certification that these funds are necessary and will be used for loss funds only is also required.

The RTC has been an operation now for 4 years. During that time, it has protected almost 22 million depositors and \$199 billion of insured deposits in 657 failed savings and loans. According to the General Accounting Office audit of the RTC's financial statements, there could still be as many as 170 more institutions whose depositors the RTC must protect. It is our responsibility to honor our pledge to protect those depositors.

RTC legislation has never been a popular subject in this House. It has been hard for Democrats and it has been hard for Republicans. But now we have come to the end of the process. We have a bipartisan package that provides the necessary funding and reforms. Finally, it appears that this will be the last legislation needed to resolve the S&L debacle of the 1980's.

Mr. Chairman, I urge this House to honor the U.S. deposit insurance commitment and pass H.R. 1340.

□ 1220

Mr. McCOLLUM. Mr. Chairman, I yield 3 minutes to the ranking member of the full Committee on Banking, Finance and Urban Affairs, the gentleman from Iowa [Mr. LEACH].

Mr. LEACH. I thank the distinguished gentleman for yielding this time to me.

Mr. Chairman, on behalf of the minority, I am compelled to begin by noting that of all the issues before this body, this one is brought up with the least good will.

The minority believes proposals of the Bush administration in this area were not given fair shake. The minority believes Mr. Bush and his family were particularly abused by the congressional process. The minority also objects, on fairness grounds, that sins of others with partisan ties to the majority, particularly, Mr. Paul of Florida, were not subjected to appropriate

oversight by the committee of jurisdiction.

Having said this, one perspective stands out: Congress is disproportionately responsible for creating the problem. Weak laws, after all, led to weak regulation which led to weak banking practices. Congress, therefore, is disproportionately responsible for solving the problem.

The bad news is that this Congress has the obligation to take the castor oil and heal itself as well as the financial system. The good news is that a near perfect macro economic environment means the patient is improving, largely without governmental assistance.

Five years ago it looked like the S&L hole was in the \$200 to \$250 billion range; 2½ times this—\$500 to \$625 billion—as calculated with interest on 30 year bonds. Today's best guess estimates are in the \$110 to \$130 billion range, with \$100 billion already having been obligated and 22 million depositors protected.

Absent economic calamities, the passage of this bill should represent the last payment for the sins of Congresses past. Once the S&L cloud is removed from the financial horizon, the country will have the strongest financial system in the world. Failure to remove that cloud and provide adequate funds for the RTC could not only increase thrift bail-out costs but provide a jolting bolt of no confidence in the financial system.

Mr. Chairman, for the sake of economic stability, I urge my colleagues to honor this body's commitment to the deposit insurance system. Congress needs to pass the legislation.

Mr. McCOLLUM. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, with great respect to my colleague who just spoke, my senior member on the committee, I happen to be opposed to this bill, and I think the reason many of us are is that we just plain do not think the RTC needs the money.

There are a lot of other problems with the bill, including minority quotas that are going to be discussed here in a few minutes. There are things we would like to have done to change the way RTC does business. But the bottom line is that there is \$18.3 billion in new appropriations being requested in this bill, and, frankly, the RTC has whatever it needs already on hand to close down the remaining S&L's it needs to close down.

It has \$7 billion in cash reserves. It can borrow \$5 billion, if it needs to, from the Treasury with a statutory line of credit. It has \$38 billion in assets it could borrow against if it needed to. The GAO thinks it would take not over \$11 billion to \$12 billion at the most to do its job.

What are we doing out here trying to put out \$18.3 billion when we are hav-

ing such trouble with the deficit now? I do not think we have any business doing that, and I do not think the Members of this body should be voting that kind of money.

There are discussions about how all the world is going to come to an end here if we do not do this. That is just nonsense, with all due respect. The fact of the matter is that last year, by not closing these institutions, some very respected people have given us estimates that we may have saved as much as \$15 billion to \$20 billion because we do not have to close all the institutions, because the property values of those institutions in the Southwest, and so forth, have increased in value, and because interest rates went down. Those were savings, and rather than costing the taxpayers by not completing the job last year, we have saved a tremendous amount of money.

Mr. Chairman, the bottom line is that this is a bad bill. We need to have a good, thorough debate on it, but there is no reason for Members to vote for it. I am opposed to it for that reason.

Mr. Chairman, I reserve the balance of my time.

Mr. NEAL of North Carolina. Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Chairman, this is a good bill. It constructively addresses many of the concerns we all share over the operations of the RTC.

Mr. Chairman, I rise in support of the Resolution Trust Corporation Completion Act (H.R. 1340).

This legislation will give the RTC the funding it needs to pay off the depositors in thrifts that had been denied since April 1, 1992.

This measure also imposes important management reforms that will make the RTC more efficient and responsive.

Asset marketing, information systems, professional liability litigation and minority- and women-owned business contracting are among the many RTC operational areas this bill targets for improvements.

The bill also authorizes money for the Savings Association Insurance Fund [SAIF] to be used to absorb any losses left over from the S&L debacle.

Congress recognized in the Financial Institutions Reform, Recovery and Enforcement Act [FIRREA] of 1989 that starting the SAIF on a sound footing must be an integral part of the thrift clean-up if we want to avoid revisiting the problem.

Although I fully support passage of the legislation before us today, I believe that its approach to the SAIF is seriously flawed and must be corrected in conference.

Without a correction, this legislation will not be the final chapter in the story of the clean-up but the prologue to the next crisis.

Since enactment of FIRREA in 1989, strong and solvent thrifts have front-loaded a great deal of cash that has been required to resolve failed institutions.

They have taken this money from a diversion of all premiums since 1989, additional

surcharges on the insurance premiums, transfer of the \$3 billion surpluses of the industry-owned Federal Home Loan Bank System, and an additional \$300 million in mandatory annual contributions from the system through 2029.

Further, until 2019, SAIF institutions must shoulder an \$800 million annual obligation to fund FICO bond indebtedness.

Had SAIF received SAIF member premiums since 1989, it now would have over \$6 billion instead of the approximately \$800 million with which it will begin operation.

FIRREA anticipated such a problem, and authorized the appropriation of money to cover post-RTC losses as well as help recapitalize the fund on a sound basis.

FIRREA recognized that healthy surviving institutions simply could not afford to pay for the sins of the past while simultaneously handling new problems, building up the fund to a prudent level and raising the industry's own net worth to FIRREA-mandated levels.

Overwhelming these institutions with the crushing financial burden of such high insurance premiums would not just be unfair but counterproductive, perpetuating the S&L crisis and leading to additional failures.

Unfortunately this bill turns its back on a realistic and sensible course charted for SAIF in FIRREA.

The bill establishes what strikes me as an impenetrable roadblock to timely use of any SAIF loss funds.

The bill states that the 1989 Federal commitment to appropriated funds can only be used if the industry is in such bad shape that raising premiums would cause failures.

In other words, the bill tells the financial regulatory agencies to raise the industry's premiums to the point where it will, almost but not quite, drive institutions into insolvency. Only then can these appropriated funds be spent.

Until such time as the FDIC can make the requisite deathbed certification to cover losses once its own very limited resources are depleted, SAIF will have to borrow funds from the Federal Deposit Insurance Improvement Act of 1991's line of credit.

This requirement will force thrift insurance premiums to a point higher than what banks pay.

Banks currently pay an average of 24 basis points for insurance, while thrifts pay an average of 25 basis points.

This premium differential will widen, even more dramatically in 1998, when banks are expected to recapitalize the bank insurance fund.

After 1998, banks premiums could fall to 8 or 10 basis points, according to most analysts.

From a competitive standpoint, a large and enduring premium differential would be a suffocating handicap for the thrift industry.

The market for financial services is quite competitive in the United States.

In this environment, SAIF institutions would be unable to pass their higher insurance costs along to their customers.

Inevitably, their ability to price deposit accounts and other products competitively would be impaired.

Depositors would seek higher yields elsewhere, shrinking the industry's deposit base and putting additional upward pressure on premiums.

Earnings would decline impairing the ability to build capital internally.

Outside capital, of course, would shun an industry suffering from such a congressionally imposed cost disadvantage.

Ironically, FIRREA recognized that assuring a strong capital base for depository institutions is the best protection for the FDIC's insurance funds.

Personally, I very much want to put the thrift crisis behind us and enjoy the benefits of a strengthened, more stable financial system.

Enactment of appropriate RTC/SAIF funding legislation is central to achieving that goal.

But adjusting the SAIF funding mechanism in conference is of vital importance if we want the cure to last.

Neglecting to fix this problem will result in a perpetually broke SAIF, constant media speculation and public uneasiness, and a thrift industry that Congress will have deliberately pushed toward another round of failures.

Mr. NEAL of North Carolina. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. LAFALCE].

Mr. LAFALCE. Mr. Chairman, I have long been an opponent of RTC funding. However, I am now convinced—in light of the reforms to which this administration is committed—that the only responsible course is to allow the RTC to finish its job. We have now gone at least three-quarters of the way across the lake, and at this point it makes sense to swim to the other side.

The S&L bailout has been riddled with problems, and these problems have had enormous consequences for our economy. Allow me to review briefly my longstanding concerns about this issue, and the reasons for my current support.

I. HISTORY OF THE S&L CRISIS

To a large extent, the problems we have experienced in resolving insolvent thrifts resulted from the lax supervisory policies of the Reagan administration and the failure to sufficiently recapitalize the FSLIC insurance fund in 1987.

In 1986, I advocated legislation to improve the quality of examination and supervision for depository institutions, and to increase the number and level of experience of Federal thrift examiners. I believed that we could only prevent thrift failures if we could detect problems early. The House succeeded in passing legislation designed to do precisely that. However, the Reagan administration opposed any enhancement of supervisory procedures and no bill was ever passed in the Senate.

In 1986, the Treasury requested \$15 billion in new borrowing authority for the S&L insurance fund (FSLIC). The FSLIC fund had been seriously depleted by the large number of failed thrifts in the mid-1980's. These failures resulted in large part from a lack of adequate supervision by State authorities in a handful of States over their own State-chartered thrift institutions. A quick and fully sufficient recapitalization at that time could have prevented subse-

quent problems. However, the thrift industry strongly opposed the administration's proposal, fearful that it would lead to higher premiums.

I was a strong supporter of the \$15 billion in funding the administration proposed, believing that a full recapitalization was the only way to finally resolve the thrift crisis. Nevertheless, the House approved only \$5 billion in funding. The final conference report provided \$10.8 billion, but with a \$3.75 billion annual cap on the bonds issued to cover the costs of resolution, making the amount wholly insufficient to deal with the crisis in a timely manner.

In my view, some members of the industry, by consistently minimizing the cost of the problem, were only setting Congress up for an eventual taxpayer bailout. As a result, I was forced to oppose the 1987 FSLIC recapitalization bill—in fact, I was the floor manager in opposition. I wrote to President Reagan at that time stating that the amount provided to recapitalize the FSLIC was "woefully inadequate and surely will require Congress to revisit this issue again * * *." I predicted that a poorly funded plan would only perpetuate the crisis atmosphere surrounding the thrift industry and force the burden of recapitalizing the industry onto the taxpayer. Unfortunately, I was proved correct.

Only a year after the passage of the FSLIC recapitalization bill in 1987, it was becoming increasingly apparent that the \$10.8 billion in borrowing authority, coupled with the annual cap on FICO bond issuance, would make it impossible for FSLIC to resolve the problems or insolvent thrifts. Therefore, I introduced a bill in September 1988 to increase the capitalization of FSLIC from \$10.8 billion to \$15.8 billion and to eliminate the \$3.75 billion annual cap on the issuance of FICO bonds. Although this legislation was favorably reported by the Banking Committee, the Rules Committee did not allow its consideration on the House floor.

By late 1988, it was becoming increasingly clear that the thrift industry was facing a crisis of major proportions, but neither President Reagan nor the 100th Congress addressed the issue because of assurances that no action was necessary. The Chairman of the Federal Home Loan Bank Board, M. Danny Wall, repeatedly stated in 1988 that a taxpayer bailout would not be needed and that the \$10.8 billion would be sufficient to solve the problem.

Had it provided adequate funding, the 1987 FSLIC recapitalization legislation could have contained the thrift crisis. Instead, insufficient funding allowed the crisis to snowball over the next several years and the cost of the eventual cleanup to grow at an astonishing rate. By the time Congress and the Bush administration finally confronted

the situation in 1989, it had degenerated into a financial crisis of monumental proportions.

II. THE FIRREA LEGISLATION

In February 1989, to its credit, the new Bush administration unveiled the outlines of a plan to borrow \$50 billion to close or resolve 350-plus failing thrifts. The new administration finally acknowledged the need for substantial money to confront the thrift crisis—unfortunately, at that late date, the level of the crisis and the weakened state of the industry required that it be largely taxpayer money.

Moreover, the bailout legislation took an overly draconian approach to thrift resolutions, emphasizing a liquidation strategy rather than a revitalization strategy. As a result, I felt compelled to vote against final passage of the legislation.

My opposition to FIRREA was based on a number of factors. First, the administration's estimates were based on a series of rosy scenario economic assumptions, which resulted in a gross underestimation of the ultimate cost to the taxpayer of the thrift cleanup. Second, I felt strongly that borrowing to pay for the cleanup unnecessarily increased the costs and unfairly passed those costs on to future generations. I offered an amendment on the House floor which would have required that we pay for the bailout rather than borrow and pass the costs on to our children and grandchildren. While the amendment garnered substantial support, unfortunately it was defeated.

Third, States were held harmless of responsibility for the cost of the cleanup, even though much of the original problem was directly attributable to State-chartered institutions operating, in many cases, under lax State regulation and supervision. What started out as a regional problem was allowed to become a national crisis.

Fourth, I believed that the phase-in period for the new capital standards was unrealistically short, with the result that weak, but potentially viable institutions were transformed into problem institutions, thereby adding to the cost borne by taxpayers. I attempted to get approval from the Rules Committee to offer a floor amendment that would have allowed the regulators greater discretion in handling weakened institutions that were nevertheless in a position to consistently improve their capital positions. Unfortunately, this amendment was not permitted to be offered.

Finally, I argued that the Bush administration had given insufficient attention to the structure and accountability of the RTC, despite the fact that, overnight, it became the largest financial institution in the country with asset disposition responsibilities unmatched in our history.

I believe that FIRREA was a flawed prescription for a misdiagnosed prob-

lem. At a time we needed a revitalization strategy aimed at getting weak institutions back on their feet, others chose a liquidation strategy that forced viable institutions into bankruptcy. That policy error has had broad economic consequences.

I believe that the inordinate emphasis FIRREA put on liquidation has been responsible in large part for the credit crunch that has restricted economic growth in this country over the past several years. Small businesses have suffered greatly as the value of real estate backing many small business loans has plummeted. Banks, under severe regulatory pressure, have abandoned their traditional lending activities and focused instead on safer investments. The consequences for our economy have been devastating as, without prudent risk taking, there can be no economic growth.

III. REFORMING AND COMPLETING THE RESOLUTION PROCESS

But we now have a new administration, and a new Congress, committed to reform of the resolution process. Therefore, despite the many flaws in the original legislation, I believe our responsibility now is to complete the job that remains.

This is the final leg of what has been for everyone a very painful and disruptive process. The only responsible course now is to finish the resolution process—but in a fair and efficient manner that more appropriately balances safety and soundness concerns against the need for economic growth, and implements the reforms contained in the bill before the House today.

I have been assured that the administration is putting more emphasis on working with weak but viable institutions to give them adequate time to rebuild their capital, thereby enabling them to continue making loans and serving their communities. This change has been a major factor in my decision to support this legislation.

Furthermore, I am very impressed with the Clinton administration's commitment to attacking the credit crunch and reducing the regulatory burden on financial institutions. This administration is doing its best to cope with problems that it has inherited—completing the thrift bailout in a responsible fashion is a necessary part of that effort.

Finally, I truly believe that this bill reflects a serious effort at reform of the RTC resolution process on the part of Congress and the administration. The management reforms, the restrictions on bulk sales in real estate disposition, the improvements made in contracting systems and oversight—all these provisions will improve the efficiency and fairness of the education process. These reforms will enable more people to participate and benefit from the necessary process of thrift resolutions.

Ultimately, despite the wide range of legitimate criticisms many of us have leveled at the thrift cleanup effort undertaken heretofore by the RTC, the reality of deposit insurance cannot be ignored. Simply stated, the full faith and credit of the U.S. Government stands behind depositors in insured banks and thrifts, and we must honor that commitment. I urge my colleagues to do so today by supporting this bill.

Mr. McCOLLUM. Mr. Chairman, I yield 3 minutes to the gentlewoman from Kansas [Mrs. MEYERS].

Mrs. MEYERS of Kansas. Mr. Chairman, I rise in opposition to H.R. 1340, the Resolution Trust Corporation Completion Act, because I am deeply concerned about language in the bill which instructs the RTC to establish guidelines for "achieving a reasonably even distribution of contracts awarded to" minority contractors.

What this language does is set into law something which the RTC has been doing since its inception—ensuring that minority- and women-owned businesses participate in all RTC contracting activities. But it goes a step beyond: it requires an even distribution of contracts among minorities consisting of more than 5 percent of the minority contractors and, that means just three groups, blacks, hispanics, and women.

What will be the result? A totally unfair distribution of contracts. Asian-Americans are locked out completely.

Nonminority women make up 40 percent of the population and currently receive 20 percent of the contracts but this distribution will give them only 10 percent of the contracts.

The two minority groups that are favored by this bill have 20 percent of the population and will receive 20 percent of the contracts—but its only two minority groups and it locks out all the rest.

I have voted for civil rights bills that have been before me in this House—but this is not a civil rights bill—its a quota bill and an unfair quota bill.

I have voted for all RTC bills, that have been before me—I have thought it important to follow through on our promise to depositors to protect their savings, and protect the taxpayers.

However, if enacted in its present form, H.R. 1340 would require the RTC to jump through hoops, rather than allow them to concentrate in obtaining the best dollar bid on contracts. I believe their mission is, and should remain, carrying out contracting and sales at the least cost to the American taxpayer. By including this language in the bill, we are diverting this mission from getting the best value for the taxpayer to carrying out a new social engineering program.

Some will tell you that new language which has been added to this language changes the meaning. Do not believe it.

It does not change the unfair nature of this quota bill. All it does is say contracts have to be bid for—but the bidding would be with restrictions and the RTC would be constrained in awarding the bids by the fact that 10 percent of the contracts must be awarded to African-Americans; 10 percent to Hispanics, and 10 percent to women.

Finally, this new quota sets a new and dangerous precedent. The groups for which contracts will be set-aside do not represent all minority groups. We must make every effort to include the diversity of our population in all of our programs, but the rigidity of this formula actually locks out some minorities, and in that sense is unfair.

If we pass this bill with this new language intact, you can be assured that you will be seeing it again in your committee—in DOD bills; in small business bills; in HHS contracting; in housing and community development programs—in just about any Federal program which contracts with the private sector.

Oppose this new quota within a quota system. It does not belong in this legislation.

□ 1230

Mr. NEAL of North Carolina. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Chairman, I rise in support of the bill and ask my colleagues to discount some of the doublespeak going on with regard to the funding. We need this funding. It is necessary. I hope the Members will ask for it.

Mr. Chairman, I rise in support of the passage of the Resolution Trust Corporation Completion Act. I realize that many of my colleagues in this House are hesitant to vote "yes". Many aspects of this legislation are complex, with the myriad of issues we face. Some would like this RTC problem of honoring the deposit insurance guarantee to just go away. However, if we do not act—if we vote this bill down—the result will just add to the cost of meeting the obligations of the savings and loan institutions problem and the savings insurance guarantee. In order to pay last month's depositors who were promised a return of two points over prime, they will pay depositors this month at three points over prime. And next month it could soar to 4 points over prime. This means for slowing or stopping withdrawals will be a rising cycle of higher and higher rates. At some point, the market will recognize this pattern for what it is, a less than credible, U.S. Government promise to honor deposits, in the face of congressional unwillingness to authorize funds to liquidate insolvent thrifts, will be discounted and discredited. While I noted that aspect of this U.S. obligation are complex at the base, the fundamental issue is easily understood, the loans and the assets behind them have lost value and combined with the private investment in the S&L's fall short of the saving deposits collectively estimated by the administration after

exhausting the defunct FSLIC/SAIF insurance dollar. \$18.3 billion appropriation for assets of failed institutions within the RTC and an estimated 8 billion is being authorized anew in this measure to get the Saving Association Insurance Fund [SAIF] up and running and permit the orderly closing of S&L's after 1995.

If the day were to come when the U.S. reneges on this savings insurance program the risk of serious runs on the banks, economic recession even depression, unemployment would follow. Recovery could take years, and before that recovery is realized, the courts in the end would require the Government to honor its deposit insurance commitments. But by then, the political and economic consequences at the ballot box and on our economy would be evident.

One way or another, the Congress the U.S. Government will pay for these deposit insurance obligations. Today, the Members of this House should take the responsible course of action and provide funds for the RTC to complete its assigned work and provide a sound policy path for the future of SAIF.

I say this having been a severe critic of how the RTC operated under the Bush administration. It was wrong for President Bush's managers to suggest last year, during the election, that the problems of resolution and liquidation were virtually over I've said so then and reiterate such now. The Government has been granted some breathing space by the past year's profitable climate for financial institutions. Data for 1992 indicate that some in the savings and loan industry realized substantial profits—greater than \$5 billion. We have seen the reduction in estimates of the number of institutions that are likely to fail. We have seen the reduction in estimates of final losses. Time will tell if such optimism is justified.

But make no mistake, significant numbers of institutions appear to be making little headway toward financial health. Improved interest from a declining yield curve doesn't change all bad assets into good assets. These institutions earn a return on equity of less than 6 percent. For the 82 worst institutions, the rate of return is a negative 17.28 percent. Twenty percent of the industry is earning too low a return on equity to even constitute a viable investment. So, there will be difficult decisions and problems ahead, they should be faced today and dealt with in a positive and certain manner.

The bill before us today is an essential step along the way toward the preservation and rationalization of our financial markets. There are good reasons to vote and support this specific measure before the House today.

First, it restores funds that the Bush RTC was unable to spend within the time allotted in 1992 dollars appropriated.

But, second, it conditions the receipt of further loss funds on the adoption of management reforms. In my last report on the operations of the RTC, I made many recommendations for management improvements at the RTC. These were measures that would give the American taxpayers some measure of confidence again. They were intended to restore the trust in the Resolution Trust Corporation. The Clinton administration has taken immediate administrative steps to deal with some of the more egregious practices. They initiated a small investor program so that local

businessmen could purchase local assets. They hired a chief financial officer. The improvements they have initiated are not merely a response to my suggestions because they are plain common sense.

The bill before us today incorporates many additional safeguards and improvements in operations: Oversight of the thousands and thousands of contracts executed by the RTC for a variety of goods and services will be tightened up; professional liability litigation will be reorganized and monitored; assets will be offered to local buyers who didn't have the financial clout to purchase assets from the Bush RTC; minority and women-owned businesses will have a real opportunity to compete for RTC work and for asset purchases; the period of time for pursuing claims against savings and loan malefactors is extended by 2 years; and payment of excessive bonuses to high-level employees of the RTC is restricted.

These management reforms are critical. Last month, the General Accounting Office released a report on the condition of the RTC's loan portfolio pricing and sales. The GAO found that:

Although RTC policy states that loan portfolio characteristics provide the basis for setting a reserve price before a loan portfolio is offered for sale, three out of the four RTC offices were visited did not consider these characteristics when pricing loan portfolios. These offices routinely set reserve prices at 85 percent of the loan portfolio's book value because this was the minimum reserve price that could be approved locally. As a result, RTC could not evaluate the reasonableness of the bids received or determine whether it was maximizing recoveries on loan portfolio sales.

Although the 60 investors we surveyed generally gave high marks to certain aspects of RTC's loan portfolio sales process, they also raised concerns about: (1) vague announcement letters for loan offerings, (2) inaccurate portfolio information in bid packages, (3) late notification of bidding results, and (4) nonresponsiveness to problems after loan sales were closed. According to some investors, these problems discouraged their participation or caused them to submit lower bids in RTC loan portfolio sales.

RTC headquarters did not systematically collect, summarize, and analyze loan portfolio sales results. It delegated the reporting of sales result to each RTC field office and the National Sales Center in Washington, D.C. Each of these offices developed its own sales reporting format. RTC's ability to measure program results and identify needed improvements has been impeded because it does not maintain consistent and comprehensive information about loan portfolio sales.

If we want to put a stop to these practices, we have to pass this bill and this measure contains essential management reforms.

Third, this bill makes prudent provisions for funding the Savings and Loan Insurance Fund, by insuring that the financial institutions will do all they can to carry their fair share of the funding.

Fourth, this bill does not simply throw the resolution and liquidation process into the hands of the FDIC after the RTC takes its last conservatorship in 2½ years. The bill provides for a commission to evaluate the functions and procedures and management systems successfully used by the RTC so that the FDIC

will not have to reinvent these sound practices or suffer the inefficiencies that troubled the RTC.

I urge a vote for this bill. Without a bill, the situation will only be uncertain without direction. With a revised loan we will meet our responsibilities to the taxpayers, to the depositors, and to the stability and health of the American economy.

Mr. NEAL of North Carolina. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. Chairman, I want to congratulate you, subcommittee Chairman NEAL, Mr. LEACH, and others on both sides of the aisle for bringing this legislation up today. As those of us who serve on the Banking Committee know all too well, funding the RTC is a difficult vote. It is even more difficult to hammer out a bill that will draw the bipartisan support needed for passage. I believe that these Members have done that hard, thankless work, and I salute their efforts.

When Congress passed the first RTC funding bill over 4 years ago, we made a promise to taxpayers that we would not spend a penny more than needed for the thrift cleanup. We also promised that, if we could turn some lemons into lemonade by expanding opportunities for affordable housing and minority contracting, we would. I believe that the legislation made in order by the rule goes a long way toward honoring our pledge to the average citizens of this country. I urge my colleagues to support this bill and leadership amendment for the following reasons:

First, it saves taxpayers \$8 billion in cleanup costs by reducing SAIF funding by that amount. Second, it provides the RTC with a further, decent interval of time to continue the cleanup effort. This additional period will actually save taxpayers money because it will avoid the costly delays that would have resulted from quickly switching the RTC's function to another agency. Third, the bill codifies and strengthens affordable housing and minority contracting provisions, without violating pay-as-you-go principles.

Finally, and very importantly, this legislation extends from 3 to 5 years the statute of limitations for prosecuting the people who caused the thrift scandal and stole literally billions of dollars from taxpayers. I want to especially thank Chairman GONZALEZ and Chairman BROOKS for their efforts to shape this provision. A similar version was adopted earlier this year in the other body by a 2 to 1 margin.

We all know that Congress extends the statute of limitations only in the most exceptional circumstances. There can be no doubt that those circumstances exist here. For one thing, a great deal is at stake: if the crooks don't pay for their misdeeds, the taxpayers will have to. According to the General Accounting Office that could

cost taxpayers over \$8 billion. For another, these cases have proven to be extremely complex to prosecute, because they involve sophisticated schemes to commit financial wrongs.

Moreover the RTC department in charge of tracking down culprits has been severely hampered in its efforts by senior level RTC officials. These officials, most of whom are now gone, undertook a controversial "reorganization" which had the effect, if not the intent, of severely impairing the agency's efforts to bring S&L crooks to justice. In fact, some 50 percent of RTC investigators and prosecutors have been laid off or reassigned to other agencies. Some of these employees have testified that numerous cases that should've been filed were not. As a result, the RTC has filed suit in connection with only about 25 percent of the S&L's it's taken over—even though the agency estimates that fraud was committed in about 80 percent of all the thrifts that've been taken over so far.

I know that some of my colleagues may be concerned that this provision may encourage the RTC to sue people who did nothing wrong. Let me make three brief points in response. First, the bill only extends the statute of limitations for the most egregious wrongs; it does not extend it for simple errors in judgment, or for unintentional mistakes. Second, nothing in this provision requires the RTC to bring suit; the agency will be required to use its good judgment. Third, the General Accounting Office has never found a case that should not have been brought. So those who did nothing seriously wrong will have nothing to fear from this amendment.

In conclusion, I urge my colleagues to support this legislation. It will help bring S&L wrongdoers to justice, and help us keep our vow to protect the interests of taxpayers.

The CHAIRMAN. The Chair will advise that the gentleman from Florida [Mr. MCCOLLUM] has 22 minutes remaining, and the gentleman from North Carolina [Mr. NEAL] has 14 minutes remaining.

Mr. MCCOLLUM. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, if you read this bill carefully, you will find that what some of the proponents of this bill are saying is correct. They say they need \$18 billion, but you see what they need \$18 billion for is for the RTC, to keep the agency going. Not to resolve the problem.

This bill is a real kick at the taxpayers of American. Bill Seidman mentioned in a letter to me that rather than milk the taxpayers, why not allow the RTC to borrow on its assets?

Now, my good friend, the gentleman from North Carolina [Mr. NEAL], had

stated, well, in order to do that, you see, we would have to change the law.

Mr. Chairman, I would say to my friend that is why I had an amendment before the Committee on Rules that your majority party Members voted down, which would have given us the opportunity to do that. That is why we are opposed to your rule. Because our amendment held that we would give the RTC the ability to borrow against its assets. As Mr. Seidman says here, and I will include his letter for the RECORD in its entirety, we would "avoid the current problem of appropriating funds based on present RTC loss estimates which are uncertain at best."

Mr. Speaker, I would say to my friends that when the proponents of this bill would have us believe that in voting for this \$18 billion, you will never have to face this issue again, that is baloney! You will be facing this issue again and again possibly—before the next election, for billions more.

Mr. Chairman, there is another issue that has not been debated, and that is the disparity, the unfairness of this bill. You see, 56 percent of all the losses did not stem from Federal institutions; 56 percent were due to State oversight and sometimes absolute dereliction on the part of State governments.

Mr. Chairman, there are some States in this country that did not have a single failure. Fifteen States, Alabama, Georgia, Kentucky, Maine, Massachusetts, Michigan, Minnesota, Nebraska, New Mexico, New York, North Carolina, Oregon, South Carolina, South Dakota, and West Virginia. Yet a taxpayer from the States will have to pay as much as a taxpayer from the eight States that caused most of the problem.

Now, is that fair? I do not consider that fair. Another point, the title of this bill is really a misnomer. It is not a completion, it is just a continuation of a problem.

Mr. Speaker, we should follow the advice of Bill Seidman in resolving the RTC problem. That is what we should do. That is why I want Members, before they vote, to read this letter, so that when they have to come back in another 12 months and vote again, they will not be surprised.

Mr. Chairman, for the RECORD I include the letter of Bill Seidman dated June 21, 1993:

WASHINGTON, DC.
June 21, 1993.

Hon. TOBY ROTH,
U.S. House of Representatives,
Washington, DC.

DEAR CONGRESSMAN ROTH: It was a pleasure hearing from you and I look forward to continuing our discussion on RTC funding and other issues of mutual interest.

With regard to the RTC, I think it would be reasonable to fund remaining and future thrift resolutions by allowing the RTC to borrow from the Treasury against the appropriately \$100 billion of assets currently held

by the agency. The debt could be repaid as RTC assets are sold. While it is likely that in the future additional funding still may be needed in the form of direct appropriations, allowing the agency borrowing authority now, using its inventory as collateral, would avoid the current problems of appropriating funds based on present RTC loss estimates which are uncertain at best. Another advantage is that it directly ties RTC funding to assets sales. This should have the effect of speeding the RTC sales effort to a conclusion and ultimately saving taxpayer dollars.

I applaud your efforts and support your RTC Funding and Termination Amendment.

With best wishes.

Sincerely,

L. WILLIAM SEIDMAN.

□ 1240

Mr. MCCOLLUM. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. SAM JOHNSON].

Mr. SAM JOHNSON of Texas. Mr. Chairman, for some time now, the American people have been telling us that they want a smaller Government, one that spends less. Why is the Congress not listening?

This bill goes before us and goes against the grain of what the American people are saying and what many of us have been trying to achieve, a balanced Federal budget. Instead of cutting bureaucracy, this measure on the RTC, wasting taxpayer dollars for an additional 18 months, instead of cutting spending, this bill increases spending and appropriates billions of dollars which are completely unneeded, as the gentleman from Florida [Mr. MCCOLLUM] said.

The GAO states the RTC only needs \$11.9 billion, but the Committee on Banking, Finance and Urban Affairs is trying to give them 18.3 billion taxpayer hard-earned dollars. The American people ought to be appalled.

Let us go over this chart. I want to give Members a brief history of what has happened during the requested funding of the RTC.

The first number that Members see up there, \$28 billion, down from some 40-odd billion earlier, is the amount the administration said they needed in March. As Members will quickly learn, they had no real idea what the RTC really needed.

The second number that Members see, which again was blocked out, \$25 billion is the revised number after the GAO found \$5 billion in cash they did not know they had. Maybe if we give them some more time, they can find \$10 or \$15 billion more, and we will not need any. Maybe they can pay the taxpayers.

The third numbers my colleagues see, \$18.3 billion, that is what the Democrat-controlled Committee on Banking, Finance and Urban Affairs decided the RTC needed, another figure pulled out of the air.

Finally, \$11.9 billion is the latest GAO funding estimate, but the Congress still wants to give them \$18 bil-

lion. I think we need to take a look at what the RTC has on hand and determine what they really need.

They have \$7 billion in cash on hand, cash. That is more than the amount that we appropriated to help the Midwest flood victims. They have a \$5 billion credit line, as the gentleman from Florida [Mr. MCCOLLUM] said. And finally, not on here, but they have got \$79.1 billion in assets that they can sell to finance the RTC operations.

Seventy-one are currently at the RTC, costing \$12 billion to close, by their estimate; 39 are probable to fail, still, costing \$5 billion to close. And 52 are possible to fail, costing \$2 billion to close.

If we added that all up, it is \$19 billion. They have got 10 or 12 that they can put their hands on in cash and almost \$80 billion in assets they can sell, easily covering that and the insurance fund.

The 39 probable to fail have \$39 billion in assets, but they only have \$871 million—million, not billion—in underperforming loans.

Why do these thrifts, who made \$61 million in profit in the first quarter of this year, why do they need \$5 billion to resolve them?

The 52 possible to fail have a median capital ratio of 3.5 percent. The statutory minimum is 3. It sounds like to me we have got a fairly sound industry.

The dollars are there to protect the depositors and fully fund the insurance fund. They do not need one red cent from this Congress or the taxpayer. I cannot figure out why we are even talking about this measure at this time.

In addition to the RTC funding mishap, we are extending the life of this irresponsible agency by 18 months, including contracting quotas and extending a statute of limitations retroactive.

Retroactive, that word seems to be popping up everywhere. If Members will recall, we have retroactive taxes. We have got retroactive statutes with the RTC. It sounds like every issue is going to be retroactive with this Congress.

Can this Congress ever get its act together? We need to protect the American taxpayer. I challenge my colleagues to do what is right. Show the American people they are listening to them by voting against this wasteful bill. Do not appropriate any more taxpayer money for this bureaucratic nightmare. Vote for America, vote against this RTC funding.

Mr. NEAL of North Carolina. Mr. Chairman, I yield myself such time as I may consume.

I want to try to clarify a couple of things said earlier. The gentleman from Texas [Mr. SAM JOHNSON] just said something about a committee deciding on this amount.

What we did, I would like to say to my colleagues, is we took the best esti-

mates we could get from GAO, the FDIC, CBO and used their best intelligence. They are the ones in the field who analyzed it.

We do not know independently of them, but it is their best estimates. And it is the most responsible estimates we could possible find, not something drawn out of the air.

In regard to the letter of the gentleman from Wisconsin [Mr. ROTH] from Mr. Seidman, I would like to point out that in that same letter, a little further on in the letter, Mr. Seidman said the following: "While it is likely that in the future additional funding still may be needed in the form of direct appropriations."

In other words, Mr. Seidman himself is saying, in the same letter that the gentleman from Wisconsin [Mr. ROTH] quotes from, saying we do not really need the money, Mr. Seidman himself says that it is likely that additional funding in the form of direct appropriations will be needed.

What we are trying to do is do this in the most efficient way possible, not something pulled out of the air.

Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. KLEIN].

Mr. KLEIN. Mr. Chairman, I rise in strong support of H.R. 1340, the Resolution Trust Corporation Completion Act.

Since 1934, the integrity of our banking system and indeed of world financial markets has been based on public confidence in our system for deposit insurance. It is essential that we honor the commitment we have made to depositors in order to preserve the integrity of that system.

That system now faces its stiffest test. Some 90 thrift institutions are insolvent and in conservatorship, and 80 more are on the verge of conservatorship. We cannot close or liquidate these S&L's because the assets are insufficient to pay the depositors. The losses from these failed S&L's increase at the rate of approximately \$3 million per day. If we fail to act we will be breaking a covenant we made with depositors who relied on the insurance and we will be undermining public and world confidence in our banking system. The ultimate cost to this Nation in higher interest rates, a weakened economy, and loss of prestige in world financial markets is incalculable.

As a new Member of Congress, I did not create this problem. But as a responsible member of the Banking Committee, I felt a clear obligation to address it. The good news is that the Banking Committee not only addressed the problem, but has crafted a solution which will complete the thrift industry cleanup without one new previously unappropriated dollar of Federal funds.

We rejected the funding requests which had been submitted by the RTC

as excessive and unnecessary. Instead, we merely freed up \$18.3 billion which had been appropriated in 1991 and which remained unspent. After extensive reviews of the figures and discussions with the General Accounting Office, the RTC, and Treasury officials, the committee is satisfied that this will enable us to complete the cleanup of failed institutions.

This bill forces the RTC to clean up a host of management problems which have affected the agency in the past. It is gratifying to note that in response to the committee's comments, the administration has already instituted a number of these reforms and assures us that they all will be implemented.

It is ironic that many of those who would sanctimoniously turn their backs on these problems are the very same persons who supported the policies of deregulation which enabled excesses and resulting losses of the 1980's to occur.

But I do not seek to find fault. That will serve no purpose. And why the S&L crisis took place is not relevant to this debate.

What is important is that thousands of your constituents invested their hard-earned money in federally insured savings and loans.

What is important is that this Government has a legal obligation to repay those depositors who lost their investments through no fault of their own.

What is important is that we are spending approximately \$3 million each and every day that we do not allow the RTC to complete the closure of the failed S&L's, sell the assets, and repay the depositors.

All of us here and now have an obligation to address these problems in a responsible, courageous, and cost-effective manner. This bill does just that.

I urge all Members on both sides of the aisle to support this legislation. Do not let the actions of the past govern the future.

□ 1250

Mr. MCCOLLUM. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. LINDER].

Mr. LINDER. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, this is a sorry chapter in the history of American finance and financial institutions. It was not caused by greedy people or all crooked directors. Much of it was caused on the floor of this House. In 1980, when the thrifts were allowed to pay more for interest to keep money in the thrifts, it was done on this floor and a Democrat President signed that bill. Two years later when the thrifts asked to lend money out at higher yields, it was approved on the floor of this House. A Republican President signed that bill.

When this Congress realized there was a problem, for 6 or 7 years it was kept behind closed doors while mark-

ups were canceled and efforts to deal with the thrift problem were hidden. We now have an RTC.

We all on this side of the aisle intend to honor the commitment made to depositors. We just question where the money is needed. Those are honest differences. We have an RTC that has turned into a rogue animal, arrogant, going after innocent people, \$800 million in lawsuits, and some to people who were innocent bystanders.

I happen to have one contact who, after spending \$350,000 in legal fees to defend himself, they did not even bring him to court. They just gave him a letter saying there was nothing wrong with what he did. We need to shut down the RTC as quickly as possible.

In the Atlanta Business Chronicle they are shopping for new space for expansion in the IBM Tower, one of the most expensive pieces of real estate in the city. In the Atlanta Business Chronicle, the same issue that had that story, the same report had another story on the RTC telling that it opened the First National Bank Tower with 50 unoccupancies that they could have moved into themselves. These people need to be shut down, the sooner the better. We think they have the money to do it, so please vote against this bill.

Mr. NEAL of North Carolina. Mr. Chairman, I would ask the Chair how much time remains on either side.

The CHAIRMAN. The gentleman from North Carolina [Mr. NEAL] has 10½ minutes remaining, and the gentleman from Florida [Mr. MCCOLLUM] has 13 minutes remaining.

Mr. NEAL of North Carolina. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from New York [Mr. FLAKE].

Mr. FLAKE. Mr. Chairman, again I rise with a clear understanding that if we do not today pass this legislation we will be struggling for a long time trying to bring about a solution that is in the best interests of the taxpayers.

Mr. Greenspan yesterday, as he talked about this particular issue, said that if adequate funds are not appropriated for SAEF, it looks likely that SAEF member institutions will operate at an ongoing disadvantage to our financial concerns, and consequently would be less able to attract capital to maintain their financial health.

We must, Mr. Speaker, I believe today pass this particular piece of legislation. We have negotiated, we have compromised, we have brought the bill down from \$16 to \$8 billion. It seems to me that this legislation, with the minor provisions that are made available for minority procurement, is indeed fair and appropriate and just. As chairman of the oversight committee, I am one of the few Members of this House who has even been down to the RTC. Most of us who are voting on this bill do not even know what they do, what they are trying to do, the means

by which they have tried to change their management and by which they have tried to do a more efficient job.

Mr. Speaker, I came on the Committee on Banking, Finance and Urban Affairs 6½ years ago. At that time the first issue that I faced was the issue of the failed S&L's. I am tired of dealing with this issue.

As the Members know, some of the Members who are members of that committee, there are times when I have not voted for it, but today I stand, having changed my position, because I think it is the best position for the American taxpayer.

Please vote for the bill. Let us get it over with.

Mr. MCCOLLUM. Mr. Chairman, I yield 2 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Chairman, I rise in support of H.R. 1340, the Resolution Trust Corporation Completion Act.

I want to congratulate the members of the Banking Committee for their efforts in once again reporting this important RTC funding bill.

As a battle-scarred veteran of previous RTC funding bills, I know the pressure many in this House are under when it comes to RTC funding. I hope we will all summon the courage to do the right thing and pass this legislation. Bring to an end this sad chapter in the history of our financial institutions.

H.R. 1340 would lift an April 1, 1992, cutoff date which ended the RTC's ability to spend previously appropriated funds to finish the cleanup of the thrift mess and permit the RTC to use those remaining \$18 billion to continue the process of closing down remaining insolvent S&L's, and to pay off those depositors which the Government Insurance Program guarantees.

H.R. 1340 contains no new funds for the RTC. It merely removes an arbitrarily set date for cutting off the use of the funds and permits the RTC to spend the money the Congress has already authorized and appropriated.

For the benefit of my colleagues, I want to emphasize this point. We are not providing any new funds for the RTC.

Congress was simply wrong and very shortsighted last year in failing to pass similar legislation. Since April 1, 1992, the inability of the RTC to close down insolvent thrifts has cost the American taxpayer up to \$3 million each and every day.

This, I say to my colleagues, is the real banking scandal of the year. This is costing your constituents real money out of their taxpayers' pockets.

Mr. Chairman, our lack of political will up to now has now cost the American taxpayer over \$1 billion. This is real money. This is the real banking scandal—\$1 billion. This unwillingness to fund the RTC is almost as big a

scandal and a more complete waste of taxpayer money as even the original S&L debacle. This lack of political courage also represents the worst example of gridlock which the American voter demanded we end when they went to the polls last November.

I believe we are simply kidding ourselves, and shirking our responsibilities to the thrift depositor and the American taxpayer by refusing to proceed with this funding request.

I do not need to remind my colleagues on both sides of the aisle that it was a Republican administration which went full steam ahead to clean up the S&L debacle.

And, it was a Republican administration which signed the FIRREA bill into law creating the RTC.

And it was a Republican administration which first requested this last increment of funds for the RTC.

And, it was many of us Republicans in the Congress who led the effort on behalf of President Bush to explain the need for completing this task last year.

I believe it is totally irresponsible for all Members to decide that innocent depositors and taxpayers no longer matter and that we will not support the final resolution of the S&L mess which we demanded be cleaned up.

I want to urge my colleagues to do the right thing—vote for RTC funding. We must understand the basic essential: Delay equates into added and unnecessary costs.

The failure to pass H.R. 1340 is costing the American taxpayer money: \$1 billion more so far. How fiscally responsible is that?

Just by way of example, many Members argued during the budget debate for more cuts in Federal spending. Many used the honey, mohair, and wool subsidies as examples of how we could cut unnecessary Federal spending.

Do you realize that the projected 5-year budget savings associated with eliminating those subsidies, \$72 million, has all but been spent since the beginning of the August recess simply by failing to fund the RTC?

Let me repeat, to all the Members who want to save money by cutting honey and mohair subsidies, failure to fund the RTC and close out the S&L bailout has already cost \$1 billion.

Must we subject our hard-working, taxpaying citizens to this irresponsible loss of money? To pretend this issue will simply go away is the most irresponsible position we can take. I would say to the Members, wait until their constituents understand the costs. They will react.

Yes; the S&L debacle was an indictment of a deregulation frenzy that went awry, and yes, it was a sorry commentary on our regulatory process and even on our role as congressional overseers.

However, this is history. There simply is no alternative. These billions of

dollars are buying fairness. Without the funds, the cost of the S&L failures would fall on innocent depositors. This is the kind of gridlock that causes such cynicism among the American people and loss of faith in the Congress. People will lose their savings. We must face the reality of our commitment to our depositors, our citizens, our taxpayers, and to the very law we created.

H.R. 1340 also requires the RTC to make various and important management reforms to its operation. These include:

First, revision of the RTC's procedures for reviewing and qualifying applicants for contracts. This is an attempt to strengthen contractor systems and oversight and to ensure uniform procurement guidelines.

Second, the bill requires the oversight Board to establish and audit committee for the RTC and to maintain effective internal controls to prevent, identify, and correct fraud, waste, and abuse.

Third, the bill requires the RTC to appoint an assistant general counsel for professional liability.

Fourth, the bill also requires the RTC to maintain effective management information systems, to appoint a Chief Financial Officer, and requires the GAO to report biannually on the progress the RTC is making to implement these management reforms.

Mr. Chairman, if we are not prepared to accept this course of action, what is the answer? I urge my colleagues to act as the responsible custodians of the public trust that we are.

I urge Members to give serious consideration to the issue of RTC funding. Let us get on with the job of cleaning up this mess once and for all.

Mr. Chairman, I urge passage of this bill.

Mr. NEAL of North Carolina. Mr. Chairman, I yield 1½ minutes to the distinguished gentlewoman from New York [Mrs. MALONEY], a member of the committee.

Mrs. MALONEY. Mr. Chairman, like many freshmen, I campaigned against the savings and loan debacle, which is the costliest scandal in our Nation's history.

Bailing out the S&L's has already cost the taxpayers at least \$100 billion and will cost the taxpayers billions more, as we continue to clean up the mess of the two previous administrations.

However, now that 100 new Members are here, we have to choose between sticking our head in the sand and ignoring the problems before us—or we can work toward creating solutions and establishing new guidelines and laws to minimize the future risk to our taxpayers.

What we are being asked today is to honor the Government's promise to guarantee the insured bank deposits of the American people.

Unless we pass the bill, the Government will have no choice but to borrow these funds on the open market, thereby making the bailout cost hundreds of millions more because of interest payments.

Democrats and Republicans alike are justly concerned because of the rampant mismanagement which plagued RTC under the previous administrations.

The freshmen Members secured adoption of an amendment requiring that all property be offered on an individual basis prior to any bulk sale.

The bill puts an end to the RTC paying outrageous prices for photocopying, legal work, and other services.

The bill establishes an RTC chief financial officer, an audit committee, requires corrective responses to problems discovered in audits, and requires tough new controls against waste, fraud, and abuse.

The bill also requires management and disposition plans for individual properties, an end to excessive bonuses, and GAO audits of RTC operations every 6 months.

If we fail to pass this legislation, the Government will be forced to spend millions of dollars to continue the practice of borrowing funds on the open market.

And there will be no mandated reforms of RTC's activities.

So I urge my colleagues to make the responsible choice and vote "yes." Honor the Government's commitment to the depositors and vote a responsible yes.

Mr. McCOLLUM. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. KIM].

Mr. KIM. Mr. Chairman, I rise in opposition to the bill.

Mr. Chairman, I rise in opposition to H.R. 1340. While I recognize that Congress has an obligation to help finish the cleanup of the S&L mess and that RTC funds are necessary to pay for thrift failures that have already occurred, H.R. 1340 as presently drafted goes too far beyond the responsible intent of general thrift cleanup.

Specifically, this bill contains new, controversial minority contracting provisions. The RTC already has a successful minority outreach program. Thirty percent of RTC contracts already go to minority- and women-owned businesses. That is over \$780 million in contracts. This has been accomplished without any legislatively mandated quotas.

While the Banking Committee leadership may claim that their en-bloc amendment dilutes the effects of this new quota system, an unfair quota still remains. Through law, not RTC administrative rules, this quota system sets aside contracts specifically for African-American, Hispanic, and women-owned businesses. A quota within a quota. It appears to me that other minorities, including but not limited to native Americans and Asian-Americans, have been excluded. Why is Congress mandating a new form of racial tension and competition? Why have other minorities been excluded? This is irresponsible and unfair. It

opens the Pandora's box for extensive litigation by other minorities creating a new mess for the already troubled RTC.

Rather than micromanage the RTC, Congress ought to be providing it with greater flexibility. The RTC already has a successful minority outreach program. The saying goes, "If it ain't broke, don't fix it." I strongly believe that the RTC minority outreach program is working well and this new so-called fix by Congress will not enhance it, it will break it.

I urge my colleagues to reject this flawed RTC bill. This is not an emergency situation. We have time to send it back to committee and redraft it into a better, more responsible measure that genuinely helps clean up the S&L mess.

Mr. MCCOLLUM. Mr. Chairman, I yield 2 minutes to the gentleman from Wyoming [Mr. THOMAS], a member of the committee.

Mr. THOMAS of Wyoming. Mr. Chairman, I rise in opposition to the bill. I opposed it during committee and I continue to be opposed to it.

Mr. Chairman, this has been the most interesting debate that I have listened to for a very long time. I am not naive enough, of course, to think that politics is not the principal part of what we do here, but it does seem to me from time to time there are issues of this kind where we start with a certain number of facts and we make some factual decisions.

It is sort of interesting, there are people who campaigned against the idea, but now they are here, and they are for it. That is interesting as is the idea that somehow this administration is going to change things very much, as if the administrations have had a lot to do with this whole thing.

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This is an illustration I guess of the fact that the Government should not be in these kinds of decisions.

Listen to what we have said here today. If you came down from some strange country and listened to this, would not your reaction be to ask: What are the facts? What are the financial facts that we are talking about here? Are we talking about thrifts and conservatorships, 71 of them, assets of \$334 billion, total assets \$79 billion? What does it cost to resolve those?

It costs \$22 billion. They have that available in cash and performing loans. Then you have had sort of a sale process of moving from the first request of \$42 billion that we were going to have to resolve this thing. Now politically, suddenly we are down to \$25 billion, and then we are down to \$18 billion, and the GAO says you can do it for \$11.9 billion. And here we are, we are asking for \$18 billion.

The RTC has cash and assets available. This is the strangest thing I have ever seen. I am certainly opposed to this idea and opposed to this bill, and I think we ought to put the pressure on this bureaucracy to solve it within the money that they have.

I do not blame them for continuing to want to be in this position, but I do not think we ought to continue it, and I will vote against the bill.

Mr. MCCOLLUM. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. GRAMS], a member of the committee.

Mr. GRAMS. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I rise today in opposition to H.R. 1340, the RTC Completion Act.

I find it amazing, Mr. Chairman, that just 5 weeks after passing the largest tax increase in American history in the name of deficit reduction, the House of Representatives is considering another \$26.3 billion in deficit spending for the RTC and SAIF.

But that is exactly what this body is about to do. Under current budget law, funding for the RTC is not subject to the same pay-as-you-go, or PAYGO standards as other programs. As a result, Congress has already used over \$100 billion in deficit spending for the RTC—without a single spending offset. And today, we will up that total by another \$26.3 billion.

During markup in both subcommittee and full committee, I offered amendments which would require any additional funding for the RTC be offset by spending reductions in other programs—amendments which the rule prohibits from consideration on the floor today. I offered these amendments for the taxpayers in my district and across the country who have called on Congress to cut spending first.

By passing this bill today, Congress will be sending these taxpayers the opposite message: we cut spending last—or not at all. Mr. Chairman, that is not representative government, and that is not what our children—who will have to bear the economic burden of what we pass today—deserve.

For these reasons, I urge my colleagues to vote against the bill today.

Mr. NEAL of North Carolina. Mr. Chairman, I yield 1½ minutes to another member of the committee, the gentleman from Wisconsin [Mr. BARRETT].

Mr. BARRETT of Wisconsin. Mr. Chairman I rise in support of this bill—a bill, I believe, which is the final chapter of the S&L debacle. I commend Chairman GONZALEZ, Mr. NEAL, and Mr. LEACH for crafting a bipartisan measure that will reduce the costs to the American taxpayer and close the chapter on the S&L cleanup.

I come from a State that has had few failed thrifts. However, many people in Wisconsin have advised me that Congress must pass this bill. It is imperative that we safeguard the insured deposit earnings of working Americans and retirees. Every day we delay passing this legislation costs the taxpayers approximately \$3 million.

It is in everyone's interest to get this issue behind us, especially while interest rates are low and it can be done more cost effectively.

This bill allows RTC to complete the job of protecting depositors while making necessary changes in its operating procedures to address the criticisms of the agency's practices, building on the administration's reforms. This is a fiscally responsible bill that assures that no new funds will be provided to the RTC, beyond what is necessary to meet our Federal obligations.

I am pleased that the committee adopted language Mr. BACHUS and I offered which would limit the salaries and bonuses of RTC employees as well as prohibit any employee from earning more than the head of the Agency. This is in line with Vice President GORE's initiatives to reinvent Government.

Mr. Chairman, as a freshman Member, I am casting a responsible vote in support of this measure, not only because the Federal Government has the obligation to pay insured depositors but, also, because I am confident that this will be my last as well as first vote on this issue.

Mr. MCCOLLUM. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. LAZIO].

Mr. LAZIO. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I rise in support of H.R. 1340, the Resolution Trust Completion Act. This legislation is well named. For the last several years, different Congresses have danced, kicked, and otherwise ducked this issue without arriving at a final resolution. As a direct result, the bill to taxpayers—your constituents and mine—has gone higher and higher. Today's vote can free us of this burden. A vote for H.R. 1340 is a vote for fiscal responsibility. It is a vote to end the savings and loan mess once and for all.

The Federal Government promised to insure depositors. It is our responsibility to fulfill that promise. However, because the RTC was never properly funded, the RTC has been unable to carry out its mission, with the result that taxpayers will ultimately pay more: If we fail to provide the funds now, we will, in all likelihood, pay even more later.

Opponents of this bill argue that the money is not needed because the General Accounting Office says that the RTC needs less money than the bill provides. I would caution my colleagues about relying on the GAO. Many who are against this bill have never cited GAO studies before. In fact, many opponents of this bill regularly criticize GAO. But, in a moment of apparent conversion, they suddenly view the GAO as credible.

I also want to point out that the GAO audit is not incompatible with this bill. The GAO states that \$19 billion

will be needed to finish the RTC's mission. Some argue that we need to appropriate far less since the RTC has \$7 billion in reserves. But reserves are just that—reserves in case of unforeseen circumstances. Just as we should save money for various disaster relief funds, we should not rely on the RTC's backstop to provide funding for the RTC's daily expenses.

In addition, an analysis by the Congressional Budget Office reminds us that if we fail to provide this money now, then this House will be back to vote on this again in the future. And, recently, Federal Reserve Board Chairman Alan Greenspan testified that it would be irresponsible for the Congress not to fund the RTC. I reiterate—putting off this action will almost certainly continue to raise the cost of the S&L mess and prolong the length.

We are in a time of historic interest rate spreads and a stable real estate market. If history is any guide, neither will last forever. Just look at the bond market. Over the last few weeks, we have seen some volatile swings. Yes, rates have come back to their lows, but surely there is a message here. When conditions worsen, the price of this cleanup will rise. H.R. 1340 recognizes this fact. It contains a cushion—some breathing room for unanticipated fluctuations that we know all too well can occur so we won't have to revisit the issue of providing more resources. This bill requires that in order to use any funds in excess of \$10 billion, the Treasury must certify to Congress that these funds are necessary. We are providing enough funds to get the job done. It makes sure that unneeded funds are not used. At the same time, it ensures as best possible that, we do not have to repeat this painful process. I urge a "yes" vote on H.R. 1340.

Mr. NEAL of North Carolina. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from New Mexico [Mr. RICHARDSON]. He is not a member of the committee, but he has worked extremely hard on this issue, and we appreciate his efforts.

Mr. RICHARDSON. Mr. Chairman, today, I rise in support of H.R. 1340, the Resolution Trust Corporation Completion Act. H.R. 1340 will allow the RTC to finally close the remaining insolvent S&L institutions thereby honoring the Federal Government's insurance commitment to protect depositors in these institutions. Without the funds included in H.R. 1340, the RTC will have no choice but to keep insolvent S&Ls open, allowing them to be a heavier burden on taxpayers.

In 1991, Congress passed legislation appropriating \$25 billion for the RTC to handle the large number of failed thrifts, but provided that no funds could be committed after April 1, 1992. When the deadline passed, only \$6.7 billion had been spent. The lack of loss funds prevented the RTC from shutting

down failed thrifts and paying off depositors. H.R. 1340 simply repeals the expiration date for the authority of the RTC to use \$18.3 billion of previously appropriated funds to resolve institutions in default. The bill does not provide for the appropriation of any new funds to the RTC and the funds will be used solely for the benefit of protecting insured depositors or for the administrative expenses of the RTC. Funds will not be for the benefit of S&L shareholders in any manner. The bill also prohibits the sale of assets to persons who have been involved with defaulted loans or embezzlement of financial institutions obligations. Furthermore, the bill cuts the current authorization to cover future losses incurred by the insurance fund.

In order to receive funds, the RTC must implement serious fiscal and management reforms. These reforms include enhancing opportunities for minority and women-owned businesses to contract with the RTC, appointing a chief financial officer to handle financial affairs, limiting RTC employee bonuses, and ensuring qualified companies provide goods and services at a reasonable price. It will also require the RTC to strengthen internal controls against waste, fraud, and abuse and require the RTC to develop a comprehensive business plan. Furthermore, it assists low income persons in high-cost areas with participating in the affordable housing program, gives homeless families preference in obtaining homes, and gives tenants the right of first refusal to buy homes they are renting.

H.R. 1340 would also extend the statute of limitations which would allow depositors to be justly compensated for the gross negligence and intentional misconduct resulting from the unjust enrichment to the thrift institution. The new time limit balances the need to obtain the maximum recovery from S&L crooks with the need to preserve due process safeguards.

Shifting the burden on our remaining healthy S&Ls will hurt the ability of banks and S&Ls to attract the deposits they use to make loans and will jeopardize the health of remaining institutions. H.R. 1340 does not bail out incompetent and crooked S&L managers and shareholders, but serves to protect depositors and help the recovery. This legislation is essential to the safety and stability of our financial system, and providing funding now will avoid further costly delays which harm the American taxpayer. Finally, failure to provide timely funding for the RTC can only undermine confidence that the Government will honor its promises. I strongly lend my support to H.R. 1340 and urge my colleagues to do the same.

□ 1310

Mr. MCCOLLUM. Mr. Chairman, I yield 2 minutes to the distinguished

gentleman from Alabama [Mr. BACHUS], a member of the committee.

Mr. BACHUS of Alabama. I thank the gentleman for yielding this time to me.

Mr. Chairman, we have talked about courage this morning. Well, I say let us have the courage to give this sorry piece of legislation a swift death. Mr. NEAL of North Carolina gave us a list of things that this bill contains. But something is in this bill that he did not tell you about, something that was not on that list.

Let me tell you what it is: It is excessive, very excessive salaries for RTC employees.

Now, 599 out of 600 Federal employees are paid at one rate, but under this bill, in this schedule the other one-half of 1 percent of Federal employees are paid at a much higher rate.

How high? How excessive are these salaries?

Someone said, "Hold onto your hat." Well, hold onto your hat and listen to this: How cost effective is this bill? A secretary at RTC makes \$29,500 starting out. Other Federal employees, \$22,000. Is this excessive?

And \$66,000 for a special assistant at all other Government posts. RTC, \$86,000. \$20,000 difference.

General counsel, \$115,000 at most Federal agencies. But RTC, under this bill, \$154,000. That is \$40,000. That is twice what the average citizen in my district makes in a year.

I will tell you, Mr. BARRETT of Wisconsin was right; my amendment and his amendment cut out these bonuses that these employees are paid at these high salaries that they were giving out like candy at Halloween. But it did not cut this out.

I close by saying this: The gentleman from South Carolina [Mr. DERRICK] talked about castor oil, and also, "Let us get the job done."

Well, this is very expensive castor oil in this bill. Let us save the \$7 billion that the gentleman from Texas [Mr. JOHNSON] and I have talked about.

Now, the gentleman from Minnesota [Mr. VENTO] talked about doublespeak; the gentleman from Texas [Mr. GONZALEZ] talked about small change.

Well, I say, as Everett Dirksen said, "A billion dollars here and a billion dollars there, pretty soon it adds up to real money," money paid for by the American people for these excessive salaries.

Mr. NEAL of North Carolina. Mr. Chairman, I yield 2 minutes to a senior member of the Committee on Banking, Finance and Urban Affairs, the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. I thank the gentleman for yielding this time to me.

Mr. Chairman, preliminarily on the question of the employees, people should understand that if employees did not have some other Federal job

when they went over to the RTC, it is a temporary job. They are not comparable, in that these are not like other Federal jobs, lifetime tenure jobs. The RTC is a temporary agency. In a couple of years, most of the people whose salaries are being described, if they did not have a prior Federal job, would have zero salary because when the RTC goes out of existence, they are out of a job.

I want to talk particularly about one aspect of this, and I do have to say this is a very especially tough piece of work, and I am very pleased to express congratulations to the gentlemen from Texas, North Carolina, Iowa, New Jersey, because this has had a lot of good work on it.

One piece that I want to talk about is the improvements to the affordable housing piece. We have talked here a lot about increasing home ownership. In the RTC program, and amendments to this, to both of the RTC and the FDIC, we do more to advance the goal of helping lower income people become owners than any other single piece of legislation that has come before us because we take homes that are vacant, that the Federal Government acquired through this process, and we sell them to low-income people who can meet the criteria so that they can become homeowners.

There was an unhappy necessity to pay off depositors. The great bulk of this money goes to the depositors.

One of the things we decided, however, was—out of this fiscal wreckage—was to try to help some other people. One of the important things that this bill does is to improve the low-income housing section. It will provide us the most efficient per unit housing program for multifamily housing, and it will, as a result of our passing this today, help with a program that will have put more low-income people into home ownership than anything the Federal Government has ever done.

Finally, people have talked about whether or not some States should pay for it, or others. I would assume those who advocate the principle of each State paying for its own have a retroactive amendment to the flood relief, because I did not have any floods, but I did not—in Massachusetts—be grudge paying for the floods that were a national problem.

If people are ready to say that this has got to be done on a State-by-State basis, let us see that on flood relief as well.

The CHAIRMAN. The Chair would like to advise the managers that the gentleman from Florida [Mr. MCCOLLUM] has 3½ minutes remaining, and the gentleman from North Carolina [Mr. NEAL] has 2½ minutes remaining.

The gentleman from North Carolina [Mr. NEAL] is entitled to close debate.

Mr. MCCOLLUM. If I might inquire at this time, I only have myself as the

closing speaker left. If the gentleman has only one left, that is fine.

Mr. NEAL of North Carolina. Mr. Chairman, we are expecting another speaker or two, but they are not here. If they do not show up quickly, we will be prepared to close.

Mr. MCCOLLUM. Mr. Chairman, I yield myself the balance of my time or as much as I may consume.

Mr. Chairman, I think there are a number of things that need to be clarified here in this debate today that I have heard that are misleading. I do not want to accuse anybody of trying to do that, but I think factually they are. One of them is the position of Mr. Seidman, who is the very distinguished former head of the Federal Deposit Insurance Corporation, and his letter that Mr. ROTH quoted from. It has been quoted and misquoted several times.

The bottom line is that while he did use the word "likely," he said, "likely may be needed" in the future, that we have money. But I have talked to him many times, and I know the emphasis that Mr. Seidman has is on the "may be needed," hedging himself in the letter. But the bottom line is that he feels very strongly that it is improbable that we will need it. Indeed, the amount of money that is already on reserve and that could be borrowed certainly can take care of whatever the needs of the RTC are, which is really the bottom line. We do not need to have any new funding for the RTC. It has \$7 billion in cash. As Mr. JOHNSON pointed out in his statement, it can borrow; its line of credit, if it needs it, goes up to an additional \$5 billion. That is 12 right there. GAO says they only need \$11.9 billion, which is right at that \$12 billion. They have plenty of assets out there that are appreciating in value. In fact, it was Mr. Seidman who pointed out to us the fact that we have saved \$15 billion to \$20 billion in the last year just by not giving them any more money, because they then did not close institutions they otherwise would have closed, institutions that, because the economy has improved, because the value of the real estate assets have increased in Texas and other States which have been affected primarily by this situation, that they now have these additional assets. They are going to wind up paying us money back when this is all done.

We should not be out here spending more money. Somebody said there were not any new funds involved in this. I take issue with that; there are new funds.

This \$18.3 billion is new money. The authorization that included that figure back last year expired, it disappeared as of April 1, 1992. It is not on the books. If you are going to appropriate, which this bill does, not just authorize but appropriate, \$18.3 billion more for the RTC right now, you are, make no mistake about it, you are deficit fi-

nancing by \$18.3 billion, adding to the deficit.

Does anybody who is not opposing this bill, or anybody who does oppose it—as somebody says—lack political courage? I think that is nonsense. As the gentleman from Alabama said, the courage is to stand up and say, "Enough is enough," in this case. The RTC has done a horrible job in most of its administration. The public is angry about it. It is an unfortunate chapter in our history.

All of us want to do the right thing. Lots of institutions have been closed that never should have been closed. Other people have been having their properties seized and actions taken that really should not have been done in the process.

Now, I cannot go back and rectify all of this, but if they do not need the additional money—which they do not need—why in the world are we going to give it to them when we have such a huge debt already, approaching the \$4 trillion mark, at this point, I guess going over \$5 trillion in the next 3 or 4 years? Why are we going to add billions of dollars more by giving to this organization?

Then, on top of that, despite all of what you are going to hear in the next few minutes on an amendment that is being proposed—by the way, which is not a leadership amendment; our leadership has never had anything to do with it. There is a quota system being mandated in here. I do not remember we ever legislated an actual quota system for contracting in this Congress. We put language in encouraging people to contract, but not actually setting it out and saying it has to be this much and this much and this much to minorities, to women, et cetera. That is what is in the bill the way it reads now, no matter what the language is they are fooling around with, because they have left it in the bill, they did not take it out of this amendment that is coming up.

□ 1320

The bill is basically a bad bill. It is flawed. It should be defeated.

I think my colleagues would do well to get on with the business of voting the RTC authorization bill down and let them go finish the job with the money they already have. They have plenty of it to do the job. They do not need one red cent more.

Mr. Chairman, I urge a no vote on this bill.

Mr. NEAL of North Carolina. Mr. Chairman, I yield myself the balance of the 2½ minutes.

It does seem that the opposition is placing their reliance in opposition to this bill almost entirely on this one opinion by Mr. Seidman. Now, Mr. Seidman is a fine gentleman, no question about that; but this is what the GAO had to say about his approach:

It could provide a perverse incentive for the RTC to dump assets regardless of price and could cost the taxpayer more.

The most fiscally responsible way to deal with this problem is to pass this bill. Every day that goes by that we do not pass this bill, that we do not give the RTC the money it needs to close down these insolvent institutions costs American taxpayers \$300 million—\$300 million a day the taxpayers are being charged because we have not passed this legislation.

Now, my colleagues, for almost 60 years we have promised the American people who placed their deposits in America's financial institutions that they would be safe.

It is inconceivable that we would try to go back on our word.

Ultimately if we do not pass legislation like this, that is what will happen.

Mr. Siedman says one thing, but no one else agrees with him; the GAO, CBO, FDIC, the Bush administration, this administration, all say that does not make sense. That is just wishful thinking, that we have to have the money that is in this bill.

So not only would it be unconscionable for us to go back on promises made to the depositors, but we are also told by experts that that could lead to financial panic. If the people of this country actually believed that we were going to do that, they would start pulling their money out of banks and savings and loans so fast you could not count it, and you would see runs on banks. We cannot risk something like that.

The most fiscally responsible way to deal with these promises we have made is this bill, and I urge my colleagues to get this problem behind us. It is the most efficient way. It is the fair way.

I believe I can say to you that if we pass this bill, we will not have to authorize anymore money for these institutions.

So help us pass this bill, get this behind us. Fulfill and keep the promises that we have made to the American people.

Mr. FISH. Mr. Speaker, in addition to my other objections to H.R. 1340, I want also to point out what a risk it poses in the area of SAIF funding specifically at section 8(b). The manner of release of funds under this provision would be destabilizing for the industry as well as debilitating for the FDIC and our communities.

This bill would require the FDIC to increase the thrift industry's premiums to a level where many SAIF members might well be pushed to insolvency, before appropriate funds could be used. Basically, a scenario in which productive institutions are turned into failures. Consequently, SAIF premiums would be sharply increased above and beyond what bank insurance fund members pay * * * protecting the taxpayers? Hardly, just more risk for the taxpayers and terrible odds for institutions that although healthy are struggling.

Mr. REED. Mr. Chairman, I rise today in support of H.R. 1340. This legislation will pro-

vide strong and decisive action by the Congress to provide the needed resources to the RTC and the Savings Association Insurance Fund (SAIF) to end the cleanup of the failed institutions without unnecessary additional cost to taxpayers.

My decision to support funding for the RTC was not an easy one to make. I have expressed serious concerns in the past regarding the operation of the RTC and its use of taxpayer dollars. However, based on current circumstances and the provisions included in H.R. 1340, I have concluded that my support of RTC funding at this time is the right thing to do.

The most compelling fact at this juncture is that H.R. 1340 is the least-cost method to finally complete this resolution. Eighty-five institutions with approximately \$53.2 billion in depositor accounts remain in conservatorship. Every day that resolution funding is delayed, it costs the American taxpayer \$3 million and clouds our economic outlook.

H.R. 1340 also imposes management reforms on the RTC to ensure responsible use of taxpayer dollars. The reforms are designed to ensure that the maximum price is received from the sale of assets from failed thrifts, and the least-cost method is used for holding assets in conservatorship or receivership before bringing them to market.

All Americans have a stake in H.R. 1340. What began as a regional problem in the Southwest has now spread throughout the country and has reached New England. Indeed, this problem has lingered for so long that a major Rhode Island institution is currently in conservatorship by the RTC. The longer his institution remains in conservatorship, the more difficult it will be to preserve its franchise value and the jobs of its employees.

The intent of the legislation before us today is to protect the interests of depositors and taxpayers by honoring the Government's obligation to depositors under the Federal deposit insurance program. In Rhode Island, we have witnessed first hand what this commitment means to working men and women who put their trust in our deposit insurance system. With the help of banking Chairman HENRY B. GONZALEZ, the Federal Government provided Rhode Island with a Federal loan guarantee to assist the State as it worked to restore funds to depositors caught in its credit union crisis. H.R. 1340 reaffirms the Government's commitment to fulfill its promise to protect insured deposits.

The S&L cleanup has been a lengthy and painful process. Now the end is in sight for what has been a spiraling appropriation. Let us finally put this behind us by supporting H.R. 1340.

Mr. CASTLE. Mr. Chairman, I want to express my opposition to H.R. 1340, the Resolution Trust Corporation Completion Act. I cannot vote to appropriate an additional \$18.3 billion of the taxpayers' money for the savings and loan cleanup when there is no firm estimate on the amount that will actually be needed to resolve failed thrift institutions. This would add an additional \$18 billion to the Federal deficit when it is possible that the RTC may only need as little as \$7 billion to complete the job. The RTC currently has \$10.1 billion in existing cash reserves.

In addition, I cannot ask the residents of Delaware to pay for the failure of a small number of other States to adequately regulate their own State-chartered savings and loan associations. Eight States account for nearly all the losses from the failure of State-chartered thrifts—\$47.5 billion. The RTC's own data shows that these States account for at least 56 percent of the Nation's total losses from savings and loan failures. These State governments should be held accountable for the huge losses of their State regulated institutions.

I am also troubled by the fact that Members were not permitted to offer amendments to this legislation when it was brought to the floor. The Members of this body should have an opportunity to vote on how much funding should be authorized for the RTC. However, the Rules Committee would not permit an amendment to reduce the funding from \$18.3 to \$11.9 billion. The figure the General Accounting Office has said is a more realistic target to complete the work of the RTC.

Mr. Chairman, this is a difficult vote for every Member of Congress. On the one hand, we want to put the savings and loan debacle behind us and complete the Federal Government's commitment to protect the insured deposits of our constituents. However, this legislation does not adequately address serious questions about what level of funding is needed to complete this task. I am not convinced that the case has been made to spend \$18 billion for the work of the RTC. I cannot support this legislation.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the bill, modified by the amendments printed in part 1 of House Report 103-237, is considered as an original bill for the purpose of amendment and is considered as read.

The text of the committee amendment in the nature of a substitute, as modified, is as follows:

H.R. 1340

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Resolution Trust Corporation Completion Act".

SEC. 2. FINAL FUNDING FOR RTC.

Section 21A(i) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(i)) is amended—

(1) in paragraph (3), by striking "until April 1, 1992"; and

(2) by adding at the end the following new paragraphs:

"(4) CONDITIONS ON AVAILABILITY OF FINAL FUNDING IN EXCESS OF \$10,000,000,000.—

"(A) CERTIFICATION REQUIRED.—Of the funds appropriated under paragraph (3) which are provided after April 1, 1993, any amount in excess of \$10,000,000,000 shall not be available to the Corporation before the date on which the Secretary of the Treasury certifies to the Congress that, since the date of the enactment of the Resolution Trust Corporation Completion Act, the Corporation has taken such action as may be necessary to comply with the requirements of subsection (w) or that, as of the date of the certification, the Corporation is continuing to make adequate progress toward full compliance with such requirements.

"(B) APPEARANCE UPON REQUEST.—The Secretary of the Treasury shall appear before the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, upon the request of the chairman of the respective committee, to report on any certification made to the Congress under subparagraph (A).

"(5) RETURN TO TREASURY.—If the aggregate amount of funds transferred to the Corporation pursuant to this subsection exceeds the amount needed to carry out the purposes of this section or to meet the requirements of section 11(a)(6)(F) of the Federal Deposit Insurance Act, such excess amount shall be deposited in the general fund of the Treasury.

"(6) FUNDS ONLY FOR DEPOSITORS.—Notwithstanding any other provision of law other than section 13(c)(4)(G) of the Federal Deposit Insurance Act, funds appropriated under this section shall—

"(A) be used only for the purposes of protecting insured depositors or the administrative expenses of the Corporation; and

"(B) not be used in any manner to benefit shareholders of an insured depository institution in connection with any type of resolution by the Corporation or the Federal Deposit Insurance Corporation of an insured depository institution for which the Corporation has been appointed conservator or receiver or any other insured depository institution in default (as defined in section 3(x)(1) of the Federal Deposit Insurance Act) under any provision of law, or the provision of assistance in any form under section 11, 12, or 13 of the Federal Deposit Insurance Act."

SEC. 3. RTC MANAGEMENT REFORMS.

(a) IN GENERAL.—Section 21A of the Federal Home Loan Bank Act (12 U.S.C. 1441a) is amended by adding at the end the following new subsection:

"(w) RTC MANAGEMENT REFORMS.—

"(1) COMPREHENSIVE BUSINESS PLAN.—The Corporation shall establish and maintain a comprehensive business plan covering the operations of the Corporation, including the disposition of assets, for the remainder of the Corporation's existence.

"(2) MARKETING REAL PROPERTY ON AN INDIVIDUAL BASIS.—The Corporation shall—

"(A) market all assets consisting of real property (other than assets transferred in connection with the transfer of substantially all of the assets of an insured depository institution for which the Corporation has been appointed conservator or receiver) on an individual basis, including sales by auction, for no fewer than 120 days before such assets may be made available for sale or other disposition on a portfolio basis or otherwise included in a multiasset sales initiative; and

"(B) prescribe regulations—

"(i) to require that the sale or other disposition of any asset consisting of real property on a portfolio basis or in connection with any multiasset sales initiative after the end of the 120-day period described in subparagraph (A) be justified in writing; and

"(ii) to carry out the requirement of subparagraph (A).

"(3) DISPOSITION OF REAL ESTATE RELATED ASSETS.—

"(A) PROCEDURES FOR DISPOSITION OF REAL ESTATE RELATED ASSETS.—The Corporation shall not sell real property or nonperforming real estate loans which the Corporation has acquired as receiver or conservator, unless—

"(i) the Corporation has assigned responsibility for the management and disposition of such assets to a qualified person or entity to—

"(1) analyze each asset on an asset-by-asset basis and consider alternative disposition strategies for such asset;

"(II) develop a written management and disposition plan; and

"(III) implement that plan for a reasonable period of time; or

"(ii) the Corporation has made a determination in writing, that a bulk transaction would maximize net recovery to the Corporation, while providing opportunity for broad participation by qualified bidders, including minority- and women-owned businesses.

"(B) DEFINITIONS.—

"(i) IN GENERAL.—The Corporation may, by regulation, define any term in subparagraph (A) for purposes of such subparagraph.

"(ii) SPECIAL RULE.—In defining terms pursuant to clause (i) for purposes of subparagraph (A), the Corporation may define—

"(I) the term 'asset' so as to include properties or loans which are legally separate and distinct properties or loans, but which have sufficiently common characteristics such that they may be logically treated as a single asset; and

"(II) the term 'qualified person or entity' so as to include any employee of the Thrift Depositor Protection Oversight Board or any employee assigned to the Corporation under subsection (b)(8).

"(C) IMPLEMENTATION.—The Corporation may implement the requirements of this paragraph in such manner as the Corporation considers, in the Corporation's discretion, to be appropriate.

"(D) EXCEPTIONS.—This paragraph shall not apply to—

"(i) assets transferred in connection with the transfer of substantially all the assets of an insured depository institution for which the Corporation has been appointed conservator or receiver;

"(ii) nonperforming real estate loans with a book value equal to or less than \$1,000,000;

"(iii) real property with a book value equal to or less than \$200,000; or

"(iv) real property with a book value in excess of \$200,000 or nonperforming real estate loans with a book value in excess of \$1,000,000 for which the Corporation determines, in writing, that a disposition not in conformity with the requirements of subparagraph (A) will bring a greater return to the Corporation.

"(E) COORDINATION WITH PARAGRAPH (2).—No provision of this paragraph shall supersede the requirements of paragraph (2).

"(4) DIVISION OF MINORITIES AND WOMEN'S PROGRAMS.—

"(A) IN GENERAL.—The Corporation shall maintain a division of minorities and women's programs.

"(B) VICE PRESIDENT.—The head of the division shall be a vice president of the Corporation and a member of the executive committee of the Corporation.

"(5) CHIEF FINANCIAL OFFICER.—

"(A) IN GENERAL.—The chief executive officer of the Corporation shall appoint a chief financial officer for the Corporation.

"(B) AUTHORITY.—The chief financial officer of the Corporation shall—

"(i) have no operating responsibilities with respect to the Corporation other than as chief financial officer;

"(ii) report directly to the chief executive officer of the Corporation; and

"(iii) have such authority and duties of chief financial officers of agencies under section 902 of title 31, United States Code, as the Thrift Depositor Protection Oversight Board determines to be appropriate with respect to the Corporation.

"(6) BASIC ORDERING AGREEMENTS.—

"(A) REVISION OF PROCEDURES.—The Corporation shall revise the procedure for reviewing and qualifying applicants for eligibility for future contracts in a specified service area (commonly referred to as 'basic ordering agreements' or

'task ordering agreements') in such manner as may be necessary to ensure that small businesses, minorities, and women are not inadvertently excluded from eligibility for such contracts.

"(B) REVIEW OF LISTS.—The Corporation shall—

"(i) review all lists of contractors determined to be eligible for future contracts in a specified service area (commonly referred to as 'basic ordering agreements' or 'task ordering agreements') and other contracting mechanisms; and

"(ii) prescribe appropriate regulations and procedures,

to ensure the maximum participation level possible of minority- and women-owned businesses.

"(7) IMPROVEMENT OF CONTRACTING SYSTEMS AND CONTRACTOR OVERSIGHT.—The Corporation shall—

"(A) maintain such procedures and uniform standards for—

"(i) entering into contracts between the Corporation and private contractors; and

"(ii) overseeing the performance of contractors and subcontractors under such contracts and compliance by contractors and subcontractors with the terms of contracts and applicable regulations, orders, policies, and guidelines of the Corporation,

as may be appropriate for the Corporation's operations to be carried out in as efficient and economical a manner as may be practicable;

"(B) commit sufficient resources, including personnel, to contract oversight and the enforcement of all laws, regulations, orders, policies, and standards applicable to contracts with the Corporation; and

"(C) maintain uniform procurement guidelines for basic goods and administrative services to prevent the acquisition of such goods and services at widely different prices.

"(8) AUDIT COMMITTEE.—

"(A) ESTABLISHMENT.—The Thrift Depositor Protection Oversight Board shall establish and maintain an audit committee.

"(B) DUTIES.—The audit committee shall have the following duties:

"(i) Monitor the internal controls of the Corporation.

"(ii) Monitor the audit findings and recommendations of the inspector general of the Corporation and the Comptroller General of the United States and the Corporation's response to the findings and recommendations.

"(iii) Maintain a close working relationship with the inspector general of the Corporation and the Comptroller General of the United States.

"(iv) Regularly report the findings and any recommendation of the audit committee to the Corporation and the Thrift Depositor Protection Oversight Board.

"(v) Monitor the financial operations of the Corporation and report any incipient problem identified by the audit committee to the Corporation and the Thrift Depositor Protection Oversight Board.

"(9) CORRECTIVE RESPONSES TO AUDIT PROBLEMS.—The Corporation shall maintain procedures which provide for a prompt and determinative response to problems identified by auditors of the Corporation's financial and asset-disposition operations, including problems identified in audit reports by the inspector general of the Corporation, the Comptroller General of the United States, and the audit committee.

"(10) ASSISTANT GENERAL COUNSEL FOR PROFESSIONAL LIABILITY.—

"(A) APPOINTMENT.—The chief executive officer shall appoint, within the division of legal services of the Corporation, an assistant general counsel for professional liability.

"(B) DUTIES.—The assistant general counsel for professional liability appointed under subparagraph (A) shall—

"(i) direct the investigation, evaluation, and prosecution of all professional liability cases involving the Corporation; and

"(ii) supervise all legal, investigative, and other personnel and contractors involved in the litigation of such claims.

"(C) REPORTS TO THE CONGRESS.—The assistant general counsel for professional liability shall submit semiannual reports to the Congress not later than April 30 and October 31 of each year concerning the activities of the counsel under subparagraph (B).

"(11) MANAGEMENT INFORMATION SYSTEM.—The Corporation shall maintain an effective management information system capable of providing complete and current information to the extent the provision of such information is appropriate and cost-effective.

"(12) INTERNAL CONTROLS AGAINST FRAUD, WASTE, AND ABUSE.—The Corporation shall maintain effective internal controls designed to prevent fraud, waste, and abuse, identify any such activity should it occur, and promptly correct any such activity.

"(13) FAILURE TO APPOINT CERTAIN OFFICERS OF THE CORPORATION.—The failure to fill any position established under this section or any vacancy in any such position, shall be treated as a failure to comply with the requirements of this subsection for purposes of subsection (i)(4).

"(14) REPORTS.—

"(A) DETAILED DISCLOSURE OF EXPENDITURES.—The Corporation shall include in the annual report submitted pursuant to subsection (k)(4) a detailed itemization of the expenditures of the Corporation during the year for which funds provided pursuant to subsection (i)(3) were used.

"(B) PUBLIC DISCLOSURE OF SALARIES.—The Corporation shall include in the annual report submitted pursuant to subsection (k)(4) a disclosure of the salaries and other compensation paid during the year covered by the report to directors and senior executive officers at any depository institution for which the Corporation has been appointed conservator or receiver.

"(C) COMPREHENSIVE LITIGATION REPORT.—The Corporation shall develop and provide semi-annually a comprehensive litigation report of all civil actions which—

"(i) are filed by the Corporation pursuant to section 11(k) of the Federal Deposit Insurance Act or any other provision of applicable law asserted by the Corporation as a basis for liability of—

"(i) directors or officers of depository institutions described in subsection (b)(3)(A); or

"(ii) attorneys, accountants, appraisers, or other licensed professionals who performed professional services for such depository institutions; and

"(ii) have been filed before January 1, 1993, and remain open, or are initiated, on or after January 1, 1993.

"(15) MINORITY- AND WOMEN-OWNED BUSINESSES CONTRACT PARITY GUIDELINES.—The Corporation shall establish guidelines for achieving a reasonably even distribution of contracts awarded to the various subgroups of the class of minority- and women-owned businesses whose total number of registered contractors comprise not less than five percent of all minority- or women-owned registered contractors.

"(16) CONDITIONS ON DISCRETIONARY WAIVERS OF CONFLICTS OF INTEREST.—The Corporation may not grant any waiver from the requirements of any regulations prescribed by the Corporation relating to conflicts of interest to any minority or nonminority contractor who is otherwise eligible (under such regulations) for such waiver unless the contractor is under subcontract with a minority- or women-owned business, or is part of a joint venture described in subsection (r)(2), for the performance of a por-

tion of the contractor's obligation under the contract.

"(17) CONTRACT SANCTIONS FOR FAILURE TO COMPLY WITH SUBCONTRACT AND JOINT VENTURE REQUIREMENTS.—The Corporation shall prescribe regulations which provide sanctions, including contract penalties and suspensions, for violations by contractors of requirements relating to subcontractors and joint ventures.

"(18) MINORITY PRIORITY IN ACQUISITION OF INSTITUTIONS IN PREDOMINANTLY MINORITY NEIGHBORHOODS.—

"(A) IN GENERAL.—In considering offers to acquire any insured depository institution, or any branch of an insured depository institution, located in a predominantly minority neighborhood (as defined in regulations prescribed under subsection(s)), the Corporation shall give a first priority to an offer from any minority individual, minority-owned business, or a minority depository institution.

"(B) COORDINATION WITH SUBSECTION (u).—Any offer from any minority individual, minority-owned business, or a minority depository institution to acquire any depository institution or branch described in subparagraph (A) shall be eligible for capital assistance under the minority interim capital assistance program established under subsection (u)(1).

"(C) PERFORMING ASSETS.—In the case of an acquisition of any depository institution or branch described in subparagraph (A) by any minority individual, minority-owned business, or a minority depository institution, the Corporation may provide, in connection with such acquisition and in addition to performing assets of the depository institution or branch, other performing assets under the control of the Corporation in an amount (as determined on the basis of the Corporation's estimate of the fair market value of the assets) not greater than the amount of net liabilities carried on the books of the institution or branch, including deposits, which are assumed in connection with the acquisition.

"(D) FIRST PRIORITY FOR DISPOSITION OF ASSETS.—In the case of an acquisition of any depository institution or branch described in subparagraph (A) by any minority individual, minority-owned business, or a minority depository institution, the disposition of the performing assets of the depository institution or branch to such individual, business, or minority depository institution shall have a first priority over the disposition by the Corporation of such assets for any other purpose.

"(E) APPLICABILITY OF LEAST-COST TEST.—

"(i) IN GENERAL.—Section 13(c)(4)(A) of the Federal Deposit Insurance Act shall not apply with respect to any action by the Corporation under this paragraph.

"(ii) DUTY OF CORPORATION TO CONDUCT TRANSACTIONS IN LEAST-COSTLY MANNER.—The Corporation shall take such action as may be appropriate to ensure that any transaction under this paragraph is carried out at the least possible cost to the Corporation as may be practicable.

"(F) DEFINITIONS.—For purposes of this paragraph—

"(i) ACQUIRE.—The term 'acquire' has the meaning given to such term in section 13(f)(8)(B) of the Federal Deposit Insurance Act.

"(ii) MINORITY.—The term 'minority' has the meaning given to such term in section 1204(c)(3) of the Financial Institutions Reform, Recovery and Enforcement Act of 1989.

"(iii) MINORITY DEPOSITORY INSTITUTION.—The term 'minority depository institution' has the meaning given to such term in subsection (s)(2).

"(iv) MINORITY-OWNED BUSINESS.—The term 'minority-owned business' has the meaning given to such term in subsection (r)(4).

"(19) SUBCONTRACTS WITH MINORITY- AND WOMEN-OWNED BUSINESSES.—

"(A) IN GENERAL.—The Corporation may not enter into any contract for the provision of services to the Corporation, including legal services, under which the contractor would receive fees or other compensation or remuneration in an amount equal to or greater than \$500,000 unless the Corporation requires the contractor to subcontract with any minority- or women-owned business, including any law firm, and to pay fees or other compensation or remuneration to such business in an amount commensurate with the percentage of services provided by the business.

"(B) LIMITED WAIVER AUTHORITY.—

"(i) IN GENERAL.—The Corporation may grant a waiver from the application of this paragraph to any contractor with respect to a contract described in subparagraph (A) if the contractor certifies to the Corporation that the contractor has determined that no eligible minority- or women-owned business is available to enter into a subcontract (with respect to such contract) and provides an explanation of the basis for such determination.

"(ii) WAIVER PROCEDURES.—Any determination to grant a waiver under clause (i) shall be made in writing by the chief executive officer of the Corporation.

"(C) REPORT.—Each quarterly report submitted by the Corporation pursuant to subsection (k)(7) shall contain a description of each waiver granted under subparagraph (B) during the quarter covered by the report.

"(D) DEFINITIONS.—For the purposes of this paragraph—

"(i) MINORITY.—The term 'minority' has the meaning given to such term by section 1204(c)(3) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

"(ii) MINORITY- AND WOMEN-OWNED BUSINESS.—The terms 'minority-owned business' and 'women-owned business' have the meaning given to such terms in subsection (r)(4).

"(b) BORROWER APPEALS.—Section 21A(b)(4) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)(4)) is amended by adding at the end the following new subparagraph:

"(C) APPEALS.—The Corporation shall implement and maintain a program, in a manner acceptable to the Thrift Depositor Protection Oversight Board, to provide an appeals process for business and commercial borrowers to appeal decisions by the Corporation (when acting as a conservator) which would have the effect of terminating or otherwise adversely affecting credit or loan agreements, lines of credit, and similar arrangements with such borrowers who have not defaulted on their obligations."

"(c) GAO STUDY OF PROGRESS OF IMPLEMENTATION OF REFORMS.—

(1) STUDY REQUIRED.—The Comptroller General of the United States shall conduct a study of the manner in which the reforms required pursuant to the amendment made by subsection (a) are being implemented by the Resolution Trust Corporation and the progress being made by the Corporation toward the achievement of full compliance with such requirements.

(2) INTERIM REPORT TO CONGRESS.—Not later than 6 months after the date of the enactment of this Act, the Comptroller General of the United States shall submit an interim report to the Congress containing the preliminary findings of the Comptroller General in connection with the study required under paragraph (1).

(3) FINAL REPORT TO CONGRESS.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to the Congress containing—

(A) the findings of the Comptroller General in connection with the study required under paragraph (1); and

(B) such recommendations for legislative and administrative action as the Comptroller General may determine to be appropriate.

(4) DISCLOSURE OF PERFORMING ASSET TRANSFERS.

(A) **REPORT REQUIRED.**—The Comptroller General of the United States shall submit an annual report to the Congress on transfers of performing assets by the Corporation to any acquirer during the year covered by the report.

(B) **CONTENTS.**—Each report submitted under subparagraph (A) shall contain—

(i) the number and a detailed description of asset transfers during the year covered by the report;

(ii) the number of assets provided in connection with each transaction during such year; and

(iii) the fair market value, as determined by the Comptroller General, of each transferred asset at the time of transfer.

SEC. 4 EXTENSION OF STATUTE OF LIMITATIONS.

(a) **IN GENERAL.**—Section 21A(b) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)) is amended by adding at the end the following new paragraph:

“(14) **EXTENSION OF STATUTE OF LIMITATIONS.**—

“(A) **TORT ACTIONS FOR WHICH THE PRIOR LIMITATION HAS RUN.**—

“(i) **IN GENERAL.**—In the case of any tort claim—

“(I) which is described in clause (ii); and

“(II) for which the applicable statute of limitations under section 11(d)(14)(A)(ii) of the Federal Deposit Insurance Act has expired before the date of the enactment of the Resolution Trust Corporation Completion Act,

the statute of limitations which shall apply to an action brought on such claim by the Corporation in the Corporation's capacity as conservator or receiver of an institution described in paragraph (3)(A) shall be the period determined under subparagraph (C).

“(ii) **CLAIMS DESCRIBED.**—A tort claim referred to in clause (i)(I) with respect to an institution described in paragraph (3)(A) is a claim arising from fraud, intentional misconduct resulting in unjust enrichment, or intentional misconduct resulting in substantial loss to the institution.

“(B) **TORT ACTIONS FOR WHICH THE PRIOR LIMITATION HAS NOT RUN.**—

“(i) **IN GENERAL.**—Notwithstanding section 11(d)(14)(A) of the Federal Deposit Insurance Act, in the case of any tort claim—

“(I) which is described in clause (ii); and

“(II) for which the applicable statute of limitations under section 11(d)(14)(A)(ii) of the Federal Deposit Insurance Act has not expired as of the date of the enactment of the Resolution Trust Corporation Completion Act,

the statute of limitations which shall apply to an action brought on such claim by the Corporation in the Corporation's capacity as conservator or receiver of an institution described in paragraph (3)(A) shall be the period determined under subparagraph (C).

“(ii) **CLAIMS DESCRIBED.**—A tort claim referred to in clause (i)(I) with respect to an institution described in paragraph (3)(A) is a claim arising from gross negligence or conduct that demonstrates a greater disregard of a duty of care than gross negligence, including intentional tortious conduct relating to the institution.

“(C) **DETERMINATION OF PERIOD.**—The period determined under this subparagraph for any claim to which subparagraph (A) or (B) applies shall be the longer of—

“(i) the 5-year period beginning on the date the claim accrues (as determined pursuant to section 11(d)(14)(B) of the Federal Deposit Insurance Act); or

“(ii) the period applicable under State law for such claim.

“(D) **SCOPE OF APPLICATION.**—Subparagraphs (A) and (B) shall not apply to any action which is brought after the date of the termination of the Resolution Trust Corporation under subsection (m)(1).”

(b) **TECHNICAL AND CONFORMING AMENDMENT.**—Section 11(d)(14)(A)(ii) of the Federal Deposit Insurance Act (12 U.S.C. 1821(d)(14)(A)(ii)) is amended by inserting “(other than a claim which is subject to section 21A(b)(14) of the Federal Home Loan Bank Act)” after “any tort claim”.

SEC. 5. LIMITATION ON BONUSES AND COMPENSATION PAID BY THE RTC AND THE THRIFT DEPOSITOR PROTECTION OVERSIGHT BOARD.

(a) **IN GENERAL.**—Section 21A of the Federal Home Loan Bank Act (12 U.S.C. 1441a) is amended by adding after subsection (w) (as added by section 3(a) of this Act) the following new subsections:

“(x) **PERFORMANCE-BASED CASH AWARDS.**—

“(1) **ESTABLISHMENT OF PERFORMANCE APPRAISAL SYSTEM REQUIRED.**—The Corporation shall be treated as an agency for purposes of sections 4302 and 4304 of title 5, United States Code.

“(2) **PROCEDURES FOR PAYMENT OF PERFORMANCE-BASED CASH AWARDS.**—

“(A) **IN GENERAL.**—Section 4505a of title 5, United States Code, shall apply with respect to the Corporation.

“(B) **LIMITATION ON AMOUNT OF CASH AWARDS.**—For purposes of determining the amount of any performance-based cash award payable to any employee of the Corporation,

under section 4505a of title 5, United States Code, the amount of basic pay of the employee which may be taken into account under such section shall not exceed the amount which is equal to the annual rate of basic pay payable for level I of the Executive Schedule.

“(3) **ALL OTHER BONUSES PROHIBITED.**—Except as provided in paragraph (2), no bonus or other cash payment based on performance may be made to any employee of the Corporation.

“(4) **EMPLOYEE DEFINED.**—For purposes of this subsection, subsection (y), and sections 4302 and 4505a of title 5, United States Code (as applicable with respect to this subsection), the term ‘employee’ includes any officer or employee assigned to the Corporation under subsection (b)(8) and any officer or employee of the Thrift Depositor Protection Oversight Board.

“(y) **LIMITATIONS ON EXCESSIVE COMPENSATION.**—

“(1) **COMPENSATION.**—Notwithstanding any other provision of this section, no employee (as defined in subsection (x)) may receive a total amount of allowances, benefits, basic pay, and other compensation, including bonuses and other awards, in excess of the total amount of allowances, benefits, basic pay, and other compensation, including bonuses and other awards, which are provided to the chief executive officer of the Corporation.

“(2) **NO REDUCTION IN RATE OF PAY.**—Notwithstanding paragraph (1), the annual rate of basic pay and benefits, including any regional pay differential, payable to any employee who was an employee as of the date of the enactment of the Resolution Trust Corporation Completion Act for any year ending after such date of enactment shall not be reduced, by reason of paragraph (1), below the annual rate of basic pay and benefits, including any regional pay differential, paid to such employee, by reason of such employment, as of such date.

“(3) **EMPLOYEES SERVING IN ACTING OR TEMPORARY CAPACITY.**—Notwithstanding paragraph (1), in the case of any employee who, as of the date of the enactment of the Resolution Trust Corporation Completion Act, is serving in an acting capacity or is otherwise temporarily employed at a higher grade than such employee's regular grade or position of employment—

“(A) the annual rate of basic pay and benefits, including any regional pay differential, payable to such employee in such capacity or at such higher grade shall not be reduced by reason of paragraph (1) so long as such employee continues to serve in such capacity or at such higher grade; and

“(B) after such employee ceases to serve in such capacity or at such higher grade, paragraph (2) shall be applied with respect to such employee by taking into account only the annual rate of basic pay and benefits, including any regional pay differential, payable to such employee in such employee's regular grade or position of employment.

“(4) **ALLOWANCES DEFINED.**—For purposes of paragraph (1), the term ‘allowances’ does not include any allowance for travel and subsistence expenses incurred by an employee while away from home or designated post of duty on official business.”

(b) **TECHNICAL AND CONFORMING AMENDMENT.**—

(1) Section 5314 of title 5, United States Code, is amended by striking the item added to such section by section 315(c) of the Resolution Trust Corporation Refinancing, Restructuring, and Improvement Act of 1991.

(2) Section 21A(a)(6) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(a)(6)) is amended by adding at the end the following new subparagraph:

“(K) To establish the rate of basic pay, benefits, and other compensation for the chief executive officer of the Corporation.”

SEC. 6. FDIC—RTC TRANSITION TASK FORCE.

(a) **ESTABLISHMENT REQUIRED.**—The Federal Deposit Insurance Corporation and the Resolution Trust Corporation shall establish an interagency transition task force for the purpose of facilitating the transfer, in accordance with section 21A of the Federal Home Loan Bank Act, of the operations and personnel of the Resolution Trust Corporation to the Federal Deposit Insurance Corporation or the FSLIC Resolution Fund, as the case may be, in a coordinated manner which best preserves and utilizes the operational systems and personnel teams of the Resolution Trust Corporation which have successfully performed management, conservatorship, receivership, or asset-disposition functions.

(b) **MEMBERS.**—

(1) **IN GENERAL.**—The transition task force shall consist of such number of officers and employees of the Federal Deposit Insurance Corporation and the Resolution Trust Corporation as the Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation and the chief executive officer of the Resolution Trust Corporation may jointly determine to be appropriate.

(2) **APPOINTMENT.**—The Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation and the chief executive officer of the Resolution Trust Corporation shall appoint the members of the transition task force.

(3) **NO ADDITIONAL PAY.**—Members of the transition task force shall receive no additional pay, allowances, or benefits by reason of their service on the task force.

(c) **DUTIES.**—The transition task force shall have the following duties:

(1) Examine the operations of the Federal Deposit Insurance Corporation and the Resolution Trust Corporation to identify differences in the operations of the 2 corporations which should be resolved to facilitate an orderly merger of such operations.

(2) Evaluate the differences in the operational systems of the Federal Deposit Insurance Corporation and the Resolution Trust Corporation.

(3) Recommend which of the operational systems of the Resolution Trust Corporation should be preserved for use by the Federal Deposit Insurance Corporation.

(4) Recommend procedures to be followed by the Federal Deposit Insurance Corporation and the Resolution Trust Corporation in connection with the transition which will promote—

(A) coordination between the 2 corporations before the termination of the Resolution Trust Corporation; and

(B) an orderly transfer of assets, personnel, and operations.

(5) Evaluate the management enhancement goals applicable to the Resolution Trust Corporation under section 21A(p) of the Federal Home Loan Bank Act and recommend which of such goals should apply to the Federal Deposit Insurance Corporation.

(6) Evaluate the management reforms applicable to the Resolution Trust Corporation under section 21A(w) of the Federal Home Loan Bank Act and recommend which of such reforms should apply to the Federal Deposit Insurance Corporation.

(d) REPORTS TO BANKING COMMITTEES.—

(1) **REPORTS REQUIRED.**—The transition task force shall submit a report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate no later than January 1, 1995, and a 2d report no later than July 1, 1995, on the progress made by the transition task force in meeting the requirements of this section.

(2) **CONTENTS OF REPORT.**—The reports required to be submitted under paragraph (1) shall contain the findings and recommendations made by the transition task force in carrying out the duties of the task force under subsection (c) and such recommendations for legislative and administrative action as the task force may determine to be appropriate.

(e) **FOLLOWUP REPORT BY FDIC.**—Not later than January 1, 1996, the Federal Deposit Insurance Corporation shall submit a report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate containing—

(1) a description of the recommendations of the transition task force which have been adopted by the Corporation;

(2) a description of the recommendations of the transition task force which have not been adopted by the Corporation;

(3) a detailed explanation of the reasons why the Corporation did not adopt each recommendation described in paragraph (2); and

(4) a description of the actions taken by the Corporation to comply with section 21A(m)(3) of the Federal Home Loan Bank Act.

SEC. 7. AMENDMENTS RELATING TO THE TERMINATION OF THE RTC.

(a) **AMENDMENT RELATING TO TRANSFER OF PERSONNEL AND SYSTEMS.**—Section 21A(m) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(m)) is amended by adding at the end the following new paragraph:

“(3) **TRANSFER OF PERSONNEL AND SYSTEMS.**—In connection with the assumption by the Federal Deposit Insurance Corporation of conservatorship and receivership functions with respect to institutions described in subsection (b)(3)(A) and the termination of the Corporation pursuant to paragraph (1)—

“(A) any management, resolution, or asset-disposition system of the Corporation which the Secretary of the Treasury determines, after considering the recommendations of the interagency transfer task force under section 5(c)(3) of the Resolution Trust Corporation Completion Act, has been of positive benefit to the operations of the Corporation (including any personal property of the Corporation which is used in operating any such system) shall, notwithstanding paragraph (2), be transferred to and used by the Federal Deposit Insurance Corporation in a

manner which preserves the integrity of the system for so long as such system is efficient and cost-effective; and

“(B) any personnel of the Corporation involved with any such system who are otherwise eligible to be transferred to the Federal Deposit Insurance Corporation shall be transferred to the Federal Deposit Insurance Corporation for continued employment, subject to section 404(9) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 and other applicable provisions of this section, with respect to such system.”

(b) **AMENDMENT RELATING TO DATE OF TERMINATION.**—Section 21A(m)(1) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(m)(1)) is amended by striking “December 31, 1996” and inserting “December 31, 1995”.

SEC. 8. SAIF FUNDING AUTHORIZATION AMENDMENTS.

(a) **AMENDMENT TO SAIF FUNDING PROVISION.**—Section 11(a)(6)(D) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(6)(D)) is amended to read as follows:

“(D) **TREASURY PAYMENTS TO FUND.**—To the extent of the availability of amounts provided in appropriation Acts and subject to subparagraphs (E) and (G), the Secretary of the Treasury shall pay to the Savings Association Insurance Fund such amounts as may be needed to pay losses incurred by the Fund in fiscal years 1994 through 1998.”

(b) **CERTIFICATION OF NEED FOR FUNDS AND OTHER CONDITIONS ON SAIF FUNDING.**—Section 11(a)(6)(E) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(6)(E)) is amended to read as follows:

“(E) **CERTIFICATION CONDITIONS ON AVAILABILITY OF FUNDING.**—Notwithstanding subparagraph (J), no amount is authorized to be appropriated for payments by the Secretary of the Treasury in accordance with subparagraph (D) for any fiscal year unless the Chairperson of the Board of Directors certifies to the Congress, at any time before the beginning of or during such fiscal year, that—

“(i) such amount is needed to pay for losses which can reasonably be expected to be incurred by the Savings Association Insurance Fund during such year;

“(ii) the Board of Directors has determined that—

“(I) Savings Association Insurance Fund members, in the aggregate, are unable to pay additional semiannual assessments under section 7(b) during such year at the assessment rates which would be required in order to cover, from such additional assessments, losses incurred by the Fund during such year; and

“(II) an increase in the assessment rates for Savings Association Insurance Fund members to cover such losses could reasonably be expected to result in greater losses to the Government (through an increase in the number of institutions in default);

“(iii) the Board of Directors has determined that—

“(I) Savings Association Insurance Fund members, in the aggregate, are unable to pay additional semiannual assessments under section 7(b) during such year at the assessment rates which would be required in order to meet the repayment schedule required under section 14(c) for any amount borrowed under section 14(a) to cover losses incurred by the Fund during such year; and

“(II) an increase in the assessment rates for Savings Association Insurance Fund members to meet any such repayment schedule could reasonably be expected to result in greater losses to the Government (through an increase in the number of institutions in default);

“(iv) as of the date of certification, the Corporation has in effect procedures designed to en-

sure that the activities of the Savings Association Insurance Fund and the affairs of any Savings Association Insurance Fund member for which a conservator or receiver has been appointed are conducted in an efficient manner and the Corporation is in compliance with such procedures; and

“(v) with respect to the most recent audit of the Savings Association Insurance Fund by the Comptroller General of the United States before the date of the certification—

“(I) the Corporation has taken or is taking appropriate action to implement any recommendation made by the Comptroller General; or

“(II) no corrective action is necessary or appropriate as a result of such audit.”

(c) **AVAILABILITY OF UNEXPENDED RTC FUNDING FOR SAIF.**—Section 11(a)(6)(F) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(6)(F)) is amended to read as follows:

“(F) **AVAILABILITY OF RTC FUNDING.**—At any time before the end of the 2-year period beginning on the date of the termination of the Resolution Trust Corporation, the Secretary of the Treasury shall provide, out of funds appropriated to the Resolution Trust Corporation pursuant to section 21A(i)(3) of the Federal Home Loan Bank Act and not expended by the Resolution Trust Corporation, to the Savings Association Insurance Fund for any year such amounts as are needed by the Fund and are not needed by the Resolution Trust Corporation if the Chairperson of the Board of Directors has certified to the Congress that—

“(i) such amounts are needed by the Savings Association Insurance Fund;

“(ii) any amount transferred shall be used only for losses incurred by the Fund;

“(iii) the Board of Directors has determined that—

“(I) Savings Association Insurance Fund members, in the aggregate, are unable to pay additional semiannual assessments under section 7(b) during such year at the assessment rates which would be required in order to cover, from such additional assessments, losses incurred by the Fund during such year; and

“(II) an increase in the assessment rates for Savings Association Insurance Fund members to cover such losses could reasonably be expected to result in greater losses to the Government (through an increase in the number of institutions in default); and

“(iv) the Board of Directors has determined that—

“(I) Savings Association Insurance Fund members, in the aggregate, are unable to pay additional semiannual assessments under section 7(b) during such year at the assessment rates which would be required in order to meet the repayment schedule required under section 14(c) for any amount borrowed under section 14(a) to cover losses incurred by the Fund during such year; and

“(II) an increase in the assessment rates for Savings Association Insurance Fund members to meet any such repayment schedule could reasonably be expected to result in greater losses to the Government (through an increase in the number of institutions in default).”

(d) **APPEARANCES BEFORE THE BANKING COMMITTEES.**—Section 11(a)(6)(H) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(6)(H)) is amended to read as follows:

“(H) **APPEARANCE UPON REQUEST.**—The Secretary of the Treasury and the Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation shall appear before the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, upon the request of the chairman of the respective committee, to report

on any certification made to the Congress under subparagraph (E) or (F)."

(e) AMENDMENTS TO AUTHORIZATION OF APPROPRIATION.—Section 11(a)(6)(J) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(6)(J)) is amended—

(1) by striking "There are" and inserting "Subject to subparagraph (E), there are"; and

(2) by striking "of this paragraph, except" and all that follows through the period and inserting the following: "of subparagraph (D) for fiscal years 1994 through 1998, except that the aggregate amount appropriated pursuant to this authorization may not exceed \$16,000,000,000.".

(f) RETURN OF TRANSFERRED AND UNEXPEDED AMOUNTS TO TREASURY.—Section 11(a)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(6)) is amended by adding at the end the following new subparagraph:

"(K) RETURN TO TREASURY.—If the aggregate amount of funds transferred to the Savings Association Insurance Fund under subparagraph (D) or (F) exceeds the amount needed to cover losses incurred by the Fund, such excess amount shall be deposited in the general fund of the Treasury."

(g) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 11(a)(6)(G) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(6)(G)) is amended by striking "subparagraphs (E) and (F)" and inserting "subparagraph (D)".

(2) The heading of section 11(a)(6)(G) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(6)(G)) is amended by striking "SUBPARAGRAPHS (E) AND (F)" and inserting "SUBPARAGRAPH (D)".

SEC. 9. MORATORIUM EXTENSION.

(a) CONVERSION MORATORIUM UNTIL SAIF RECAPITALIZED.—Section 5(d)(2)(A)(ii) of the Federal Deposit Insurance Act is amended—

(1) by striking "before the end" and inserting "before the later of the end"; and

(2) by inserting "or the date on which the Savings Association Insurance Fund first meets or exceeds the designated reserve ratio for such fund" before the period.

(b) CLARIFICATION OF DEFINITION.—Section 5(d)(2)(B) of the Federal Deposit Insurance Act (12 U.S.C. 1815(d)(2)(B)) is amended—

(1) by striking the period at the end of clause (iv) and inserting "; and"; and

(2) by adding at the end the following new clause:

"(v) the transfer of deposits—

"(I) from a Bank Insurance Fund member to a Savings Association Insurance Fund member; or

"(II) from a Savings Association Insurance Fund member to a Bank Insurance Fund member,

in a transaction in which the deposit is received from a depositor at an insured depository institution for which a receiver has been appointed and the receiving insured depository institution is acting as agent for the Corporation in connection with the payment of such deposit to the depositor at the institution for which a receiver has been appointed."

(c) TECHNICAL AND CONFORMING AMENDMENTS.—Clauses (ii) and (iii) of section 5(d)(2)(C) of the Federal Deposit Insurance Act and section 5(d)(3)(I)(i) of such Act are each amended by striking "5-year period referred to in" and inserting "moratorium period established by".

SEC. 10. REPAYMENT SCHEDULE FOR PERMANENT FDIC BORROWING AUTHORITY.

Section 14(c) of the Federal Deposit Insurance Act (12 U.S.C. 1824(c)) is amended by adding the following new paragraph:

"(3) INDUSTRY REPAYMENT.—

"(A) BIF MEMBER PAYMENTS.—No agreement or repayment schedule under paragraph (1)

shall require any payment by a Bank Insurance Fund member for funds obtained under subsection (a) for purposes of the Savings Association Fund.

"(B) SAIF MEMBER PAYMENTS.—No agreement or repayment schedule under paragraph (1) shall require any payment by a Savings Association Insurance Fund member for funds obtained under subsection (a) for purposes of the Bank Insurance Fund."

SEC. 11. DEPOSIT INSURANCE FUNDS.

Section 11(a)(4) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(4)) is amended—

(1) by striking "and" at the end of subparagraph (B);

(2) in subparagraph (C) by striking the period and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(D) notwithstanding any other provision of law other than section 13(c)(4)(G), used only for the purposes of protecting insured depositors and shall not be used in any manner to benefit shareholders of an insured depository institution in connection with any type of resolution by the Corporation or the Resolution Trust Corporation of any insured depository institution for which the Corporation or the Resolution Trust Corporation has been appointed conservator or receiver or any other insured depository institution in default under any provision of law, or the provision of assistance in any form under this section or section 12 or 13."

SEC. 12. MAXIMUM DOLLAR LIMITS FOR ELIGIBLE CONDOMINIUM AND SINGLE FAMILY PROPERTIES UNDER RTC AFFORDABLE HOUSING PROGRAM.

Section 21A(c)(9) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(c)(9)) is amended—

(1) in subparagraph (D), by striking clause (ii) and inserting the following new clause:

"(ii) that has an appraised value that does not exceed—

"(I) \$67,500 in the case of a 1-family residence, \$76,000 in the case of a 2-family residence, \$92,000 in the case of a 3-family residence, and \$107,000 in the case of a 4-family residence; or

"(II) only to the extent or in such amounts as are provided in appropriation Acts for additional costs and losses to the Corporation resulting from this subclause taking effect, the amount provided in section 203(b)(2)(A) of the National Housing Act, except that such amount shall not exceed \$101,250 in the case of a 1-family residence, \$114,000 in the case of a 2-family residence, \$138,000 in the case of a 3-family residence, and \$160,500 in the case of a 4-family residence."

(2) in subparagraph (G)—

(A) by moving subclause (I) two ems to the left and redesignating such subclause as clause (i); and

(B) by striking subclause (II) and inserting the following new clause:

"(ii) that has an appraised value that does not exceed—

"(I) \$67,500 in the case of a 1-family residence, \$76,000 in the case of a 2-family residence, \$92,000 in the case of a 3-family residence, and \$107,000 in the case of a 4-family residence; or

"(II) only to the extent or in such amounts as are provided in appropriation Acts for additional costs and losses to the Corporation resulting from this subclause taking effect, the amount provided in section 203(b)(2)(A) of the National Housing Act, except that such amount shall not exceed \$101,250 in the case of a 1-family residence, \$114,000 in the case of a 2-family residence, \$138,000 in the case of a 3-family residence, and \$160,500 in the case of a 4-family residence."

SEC. 13. INCLUSION OF SUBSIDIARIES' PROPERTIES IN FDIC AFFORDABLE HOUSING PROGRAM.

Section 40(p) of the Federal Deposit Insurance Act (12 U.S.C. 1831q(p)) is amended in para-

graphs (4)(A), (5)(A), and (7)(A), by inserting before "; and" each place it appears the following: "(including in its capacity as the sole owner of a subsidiary corporation of a depository institution under conservatorship or receivership, which subsidiary has as its principal business the ownership of real property)".

SEC. 14. CHANGES AFFECTING BOTH RTC AND FDIC AFFORDABLE HOUSING PROGRAMS.

(a) NOTICE TO CLEARINGHOUSES REGARDING PROPERTIES NOT INCLUDED IN PROGRAMS.—

(1) RTC.—Section 21A(c) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(c)) is amended by adding at the end the following new paragraph:

"(16) NOTICE TO CLEARINGHOUSES REGARDING INELIGIBLE PROPERTIES.—

"(A) IN GENERAL.—Within a reasonable period of time after acquiring title to an ineligible residential property, the Corporation shall provide written notice to clearinghouses.

"(B) CONTENT.—For ineligible single family properties, such notice shall contain the same information about such properties that the notice required under paragraph (2)(A) contains with respect to eligible single family properties. For ineligible multifamily housing properties, such notice shall contain the same information about such properties that the notice required under paragraph (3)(A) contains with respect to eligible multifamily housing properties. For ineligible condominium properties, such notice shall contain the same information about such properties that the notice required under paragraph (14)(A) contains with respect to eligible condominium properties.

"(C) AVAILABILITY.—The clearinghouses shall make such information available, upon request, to other public agencies, other nonprofit organizations, qualifying households, qualifying multifamily purchasers, and other purchasers, as appropriate.

"(D) DEFINITIONS.—For purposes of this paragraph:

"(i) INELIGIBLE CONDOMINIUM PROPERTY.—The term 'ineligible condominium property' means a condominium unit, as such term is defined in section 604 of the Housing and Community Development Act of 1980—

"(I) to which the Corporation acquires title in its corporate capacity, its capacity as conservator, or its capacity as receiver (including its capacity as the sole owner of a subsidiary corporation of a depository institution under conservatorship or receivership, which subsidiary corporation has as its principal business the ownership of real property);

"(II) that has an appraised value that does not exceed the applicable dollar amount limitation for the property under paragraph (9)(D)(ii)(II); and

"(III) that is not an eligible condominium property.

"(ii) INELIGIBLE MULTIFAMILY HOUSING PROPERTY.—The term 'ineligible multifamily housing property' means a property consisting of more than 4 dwelling units—

"(I) to which the Corporation acquires title in its capacity as conservator (including its capacity as the sole owner of a subsidiary corporation of a depository institution under conservatorship, which subsidiary corporation has as its principal business the ownership of real property);

"(II) that has an appraised value that does not exceed, for such part of the property as may be attributable to dwelling use (excluding exterior land improvements), the dollar amount limitations under paragraph (9)(E)(i)(II); and

"(III) that is not an eligible multifamily housing property.

"(iii) INELIGIBLE SINGLE FAMILY PROPERTY.—The term 'ineligible single family property'

means a 1- to 4-family residence (including a manufactured home)—

"(I) to which the Corporation acquires title in its corporate capacity, its capacity as conservator, or its capacity as receiver (including its capacity as the sole owner of a subsidiary corporation of a depository institution under conservatorship or receivership, which subsidiary corporation has as its principal business the ownership of real property);

"(II) that has an appraised value that does not exceed the applicable dollar amount limitation for the property under paragraph (9)(G)(ii)(II); and

"(III) that is not an eligible single family property.

"(iv) **INELIGIBLE RESIDENTIAL PROPERTY.**—The term 'ineligible residential property' includes ineligible single family properties, ineligible multifamily housing properties, and ineligible condominium properties."

(2) **FDIC.**—Section 40 of the Federal Deposit Insurance Act (12 U.S.C. 1831q) is amended by adding at the end the following new subsection:

"(g) **NOTICE TO CLEARINGHOUSES REGARDING INELIGIBLE PROPERTIES.**—

"(1) **IN GENERAL.**—Within a reasonable period of time after acquiring title to an ineligible residential property, the Corporation shall provide written notice to clearinghouses.

"(2) **CONTENT.**—For ineligible single family properties, such notice shall contain the same information about such properties that the notice required under subsection (c)(1) contains with respect to eligible single family properties. For ineligible multifamily housing properties, such notice shall contain the same information about such properties that the notice required under subsection (d)(1) contains with respect to eligible multifamily housing properties. For ineligible condominium properties, such notice shall contain the same information about such properties that the notice required under paragraph (1)(1) contains with respect to eligible condominium properties.

"(3) **AVAILABILITY.**—The clearinghouses shall make such information available, upon request, to other public agencies, other nonprofit organizations, qualifying households, qualifying multifamily purchasers, and other purchasers, as appropriate.

"(4) **DEFINITIONS.**—For purposes of this subsection:

"(A) **INELIGIBLE CONDOMINIUM PROPERTY.**—The term 'ineligible condominium property' means any eligible condominium property to which the provisions of this section do not apply as a result of the limitations under subsection (b)(2)(A).

"(B) **INELIGIBLE MULTIFAMILY HOUSING PROPERTY.**—The term 'ineligible multifamily housing property' means any eligible multifamily housing property to which the provisions of this section do not apply as a result of the limitations under subsection (b)(2)(A).

"(C) **INELIGIBLE SINGLE FAMILY PROPERTY.**—The term 'ineligible single family property' means any eligible single family property to which the provisions of this section do not apply as a result of the limitations under subsection (b)(2)(A).

"(D) **INELIGIBLE RESIDENTIAL PROPERTY.**—The term 'ineligible residential property' includes ineligible single family properties, ineligible multifamily housing properties, and ineligible condominium properties."

(b) **NEGOTIATED SALE PREFERENCE FOR USE FOR HOMELESS FAMILIES.**—

(1) **RTC.**—Section 21A(c)(13) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(c)(13)) is amended by adding at the end the following new subparagraph:

"(C) **PREFERENCE FOR USE FOR HOMELESS FAMILIES.**—In negotiating and selling an eligible

residential property under this paragraph, the Corporation shall give preference to any offer to purchase the property for use in providing housing or shelter for homeless individuals (as such term is defined in section 103 of the Stewart B. McKinney Homeless Assistance Act) or homeless families, but only if the Corporation determines that such sale will result in net present value proceeds substantially similar to the amount of such proceeds that would have resulted from sale of the property under this subsection (other than under this paragraph)."

(2) **FDIC.**—Section 40(k) of the Federal Deposit Insurance Act (12 U.S.C. 1831q(k)) is amended by adding at the end the following new paragraph:

"(3) **PREFERENCE FOR USE FOR HOMELESS FAMILIES.**—In negotiating and selling an eligible residential property under this subsection, the Corporation shall give preference to any offer to purchase the property for use in providing housing or shelter for homeless individuals (as such term is defined in section 103 of the Stewart B. McKinney Homeless Assistance Act) or homeless families, but only if the Corporation determines that such sale will result in net present value proceeds substantially similar to the amount of such proceeds that would have resulted from sale of the property under this section (other than under this subsection)."

(c) **AFFORDABLE HOUSING ADVISORY BOARD.**—

(1) **ESTABLISHMENT.**—There is hereby established the Affordable Housing Advisory Board (in this subsection referred to as the "Advisory Board") to advise the Thrift Depositor Protection Oversight Board and the Board of Directors of the Federal Deposit Insurance Corporation on policies and programs related to the provision of affordable housing, including the operation of the affordable programs.

(2) **MEMBERSHIP.**—The Advisory Board shall consist of—

(A) the Secretary of Housing and Urban Development;

(B) the Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation (or the Chairperson's delegate), who shall be a nonvoting member;

(C) the Chairperson of the Thrift Depositor Protection Oversight Board (or the Chairperson's delegate), who shall be a nonvoting member;

(D) 4 persons appointed by the Secretary of Housing and Urban Development not later than the expiration of the 90-day period beginning on the date of the enactment of this Act, who represent the interests of individuals and organizations involved in using the affordable housing programs (including nonprofit organizations, public agencies, and for-profit organizations that purchase properties under the affordable housing programs, organizations that provide technical assistance regarding the affordable housing programs, and organizations that represent the interest of low- and moderate-income families); and

(E) 2 persons who are members of the National Housing Advisory Board pursuant to section 21A(d)(2)(B)(ii) of the Federal Home Loan Bank Act (as in effect before the date of the effectiveness of the repeal under subsection (c)(2)), who shall be appointed by such Board before such effective date.

(3) **TERMS.**—Each member shall be appointed for a term of 4 years, except as provided in paragraphs (4) and (5).

(4) **TERMS OF INITIAL APPOINTEES.**—

(A) **PERMANENT POSITIONS.**—As designated by the Secretary of Housing and Urban Development at the time of appointment, of the members first appointed under paragraph (2)(D)—

(i) 1 shall be appointed for a term of 1 year;

(ii) 1 shall be appointed for a term of 2 years;

(iii) 1 shall be appointed for a term of 3 years; and

(iv) 1 shall be appointed for a term of 4 years.

(B) **INTERIM MEMBERS.**—The members of the Advisory Board under paragraph (2)(E) shall be appointed for a single term of 4 years, which shall begin upon the earlier of (i) the expiration of the 90-day period beginning on the date of the enactment of this Act, or (ii) the first meeting of the Advisory Board.

(5) **VACANCIES.**—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(6) **MEETINGS.**—

(A) **TIMING AND LOCATION.**—The Advisory Board shall meet 4 times a year, or more frequently if requested by the Thrift Depositor Protection Oversight Board or the Board of Directors of the Federal Deposit Insurance Corporation. In each year, the Advisory Board shall conduct such meetings at various locations in different regions of the United States in which substantial residential property assets of the Federal Deposit Insurance Corporation or the Resolution Trust Corporation are located. The first meeting of the Advisory Board shall take place not later than the expiration of the 90-day period beginning on the date of the enactment of this Act.

(B) **ADVICE.**—The Advisory Board shall submit information and advice resulting from each meeting, in such form as the Board considers appropriate, to the Thrift Depositor Protection Oversight Board and the Board of Directors of the Federal Deposit Insurance Corporation.

(7) **ANNUAL REPORTS.**—For each year, the Advisory Board shall submit a report containing its findings and recommendations to the Congress, the Federal Deposit Insurance Corporation, and the Resolution Trust Corporation. The first such report shall be made not later than the expiration of the 6-month period beginning on the date of the enactment of this Act.

(8) **DEFINITION.**—For purposes of this subsection, the term "affordable housing programs" means the program under section 21A(c) of the Federal Home Loan Bank Act and the program under section 40 of the Federal Deposit Insurance Act.

(d) **TERMINATION OF NATIONAL HOUSING ADVISORY BOARD.**—

(1) **TERMINATION.**—The National Housing Advisory Board under section 21A(d)(2) of the Federal Home Loan Bank Act shall terminate upon the expiration of the 90-day period beginning on the date of the enactment of this Act.

(2) **REPEAL.**—Paragraph (2) of section 21A(d) of the Federal Home Loan Bank Act is repealed upon the expiration of the period referred to in paragraph (1).

(e) **PROVISION OF INFORMATION REGARDING SELLER FINANCING TO MINORITY- AND WOMEN-OWNED BUSINESSES.**—

(1) **RTC.**—Section 21A(c)(6)(A)(ii) of the Federal Home Loan Bank Act is amended by adding at the end the following new sentences: "The Corporation shall periodically provide, to a wide range of minority- and women-owned businesses engaged in providing affordable housing and to nonprofit organizations, more than 50 percent of the control of which are held by 1 or more minority individuals, that are engaged in providing affordable housing, information that is sufficient to inform such businesses and organizations of the availability and terms of financing under this clause; such information may be provided directly, by notices published in periodicals and other publications that regularly provide information to such businesses or organizations, and through persons and organizations

that regularly provide information or services to such businesses or organizations. For purposes of this clause, the terms 'women-owned business' and 'minority-owned business' have the meanings given such terms in subsection (r), and the term 'minority' has the meaning given such term in section 1204(c)(3) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989."

(2) FDIC.—Section 40(g)(1)(B) of the Federal Deposit Insurance Act (12 U.S.C. 1831q(g)(1)(B)) is amended by adding at the end the following new sentences: "The Corporation shall periodically provide, to a wide range of minority- and women-owned businesses engaged in providing affordable housing and to nonprofit organizations, more than 50 percent of the control of which are held by 1 or more minority individuals, that are engaged in providing affordable housing, information that is sufficient to inform such businesses and organizations of the availability and terms of financing under this subparagraph; such information may be provided directly, by notices published in periodicals and other publications that regularly provide information to such businesses or organizations, and through persons and organizations that regularly provide information or services to such businesses or organizations. For purposes of this subparagraph, the terms 'women-owned business' and 'minority-owned business' have the meanings given such terms in section 21A(r) of the Federal Home Loan Bank Act, and the term 'minority' has the meaning given such term in section 1204(c)(3) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989."

(f) AUTHORITY TO CARRY OUT UNIFIED AFFORDABLE HOUSING PROGRAM.—

(1) RTC.—Section 21A(c) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(c)), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new paragraph:

"(17) UNIFIED AFFORDABLE HOUSING PROGRAM WITH FDIC.—

"(A) RTC AUTHORITY.—During the period ending at the end of September 30, 1994, the Corporation shall have the authority and shall carry out the responsibilities of the Federal Deposit Insurance Corporation under section 40 of the Federal Deposit Insurance Act, subject to the agreement under subparagraph (B). To the extent practicable, the Resolution Trust Corporation shall coordinate its activities under this subsection with activities involved in carrying out such responsibilities to provide for effective and efficient management and operation of all such activities.

"(B) AGREEMENT AND CONSULTATION.—Not later than 60 days after the date of the enactment of this Act, the Resolution Trust Corporation and the Federal Deposit Insurance Corporation shall enter into an agreement for the Resolution Trust Corporation to carry out the responsibilities described in subparagraph (A) during the period referred to in such subparagraph. Such agreement shall provide—

"(i) for the Resolution Trust Corporation to act as a contractor of the Federal Deposit Insurance Corporation for the purpose of carrying out such responsibilities of the Federal Deposit Insurance Corporation;

"(ii) for the payment of fees for administrative costs incurred by the Resolution Trust Corporation in carrying out such responsibilities;

"(iii) a method for determining the extent to which the provisions of section 40 of the Federal Deposit Insurance Act shall be effective, in accordance with the limitations under subsection (b)(2) of such section;

"(iv) for the disposition of proceeds from the sales of properties under such section 40; and

"(v) a method for making seller financing available to purchasers of properties, in accord-

ance to the provisions of section 40(g)(1) of such Act.

The Resolution Trust Corporation shall consult with the Affordable Housing Advisory Board under section 13(c) of the Resolution Trust Corporation Completion Act in preparing to carry out such responsibilities.

"(B) TRANSFER TO FDIC.—On and after October 1, 1994, the authority and responsibilities of the Resolution Trust Corporation under this subsection shall be carried out by the Federal Deposit Insurance Corporation. Beginning not later than April 1, 1994, the Resolution Trust Corporation shall consult with the Federal Deposit Insurance Corporation and such Advisory Board to prepare for the Federal Deposit Insurance Corporation to carry out such authority and responsibilities."

(2) FDIC.—Section 40(n) of the Federal Deposit Insurance Act (12 U.S.C. 1831q(n)) is amended to read as follows:

"(n) RESPONSIBILITY TO CARRY OUT PROGRAM.—

"(1) AFFORDABLE HOUSING PROGRAM OFFICE.—The Corporation shall establish an Affordable Housing Program Office within the Corporation to carry out the provisions of this section after October 1, 1994, and to carry out the provisions of section 21A(c) of the Federal Home Loan Bank Act after such date with respect to any eligible residential properties and eligible condominium properties under such section not disposed of by the Resolution Trust Corporation before such date. The Federal Deposit Insurance Corporation shall dedicate certain staff of the Corporation to the Office and shall consult with the Resolution Trust Corporation and the Affordable Housing Advisory Board under section 13(c) of the Resolution Trust Corporation Completion Act in carrying out its responsibilities. Beginning not later than April 1, 1994, the Federal Deposit Insurance Corporation shall consult with the Resolution Trust Corporation and such Advisory Board to prepare for the Affordable Housing Program Office of the Federal Deposit Insurance Corporation to carry out the authority and responsibilities of the Resolution Trust Corporation under such section 21A(c).

"(2) UNIFIED AFFORDABLE HOUSING PROGRAM WITH RTC.—During the period ending at the end of September 30, 1994, the authority and responsibilities of the Corporation under this section shall be carried out by the Resolution Trust Corporation pursuant to the agreement entered into under section 21A(c)(17)(B) of the Federal Home Loan Bank Act by the Federal Deposit Insurance Corporation and the Resolution Trust Corporation."

(g) LIABILITY PROVISIONS.—

(1) RTC.—Section 21A(c)(11) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(c)(11)) is amended by adding at the end the following new subparagraph:

"(D) CORPORATION.—The Corporation shall not be liable to any depositor, creditor, or shareholder of any insured depository institution for which the Corporation has been appointed receiver, or of any subsidiary corporation of a depository institution under conservatorship or receivership, or any claimant against such an institution or subsidiary, because the disposition of assets of the institution or the subsidiary under this subsection affects the amount of return from the assets."

(2) FDIC.—Section 40(m)(4) of the Federal Deposit Insurance Act (12 U.S.C. 1831q(m)(4)) is amended—

(A) by inserting after "receiver," the following: "or of any subsidiary corporation of a depository institution under conservatorship or receivership";

(B) by inserting "or subsidiary" after "an institution"; and

(C) by inserting "or the subsidiary" after "the institution".

SEC. 15. RIGHT OF FIRST REFUSAL FOR TENANTS TO PURCHASE SINGLE FAMILY PROPERTY.

(a) RTC.—Section 21A(b) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)) is amended by inserting after paragraph (14) (as added by section 4 of this Act) the following new paragraph:

"(15) PURCHASE RIGHTS OF TENANTS.—

"(A) NOTICE.—Except as provided in subparagraph (C), the Corporation may make available for sale a 1- to 4-family residence (including a manufactured home) to which the Corporation acquires title only after the Corporation has provided the household residing in the property notice (in writing and mailed to the property) of the availability of such property and the preference afforded such household under subparagraph (B).

"(B) PREFERENCE.—In selling such a property, the Corporation shall give preference to any bona fide offer made by the household residing in the property, if—

"(i) such offer is substantially similar in amount to other offers made within such period (or expected by the Corporation to be made within such period);

"(ii) such offer is made during the period beginning upon the Corporation making such property available and of a reasonable duration, as determined by the Corporation based on the normal period for sale of such properties; and

"(iii) the household making the offer complies with any other requirements applicable to purchasers of such property, including any downpayment and credit requirements.

"(C) EXCEPTIONS.—Subparagraphs (A) and (B) shall not apply to—

"(i) any residence transferred in connection with the transfer of substantially all of the assets of an insured depository institution for which the Corporation has been appointed conservator or receiver;

"(ii) any eligible single family property (as such term is defined in subsection (c)(9)); or

"(iii) any residence for which the household occupying the residence was the mortgagor under a mortgage on such residence and to which the Corporation acquired title pursuant to default on such mortgage."

(b) FDIC.—Section 11 of the Federal Deposit Insurance Act (12 U.S.C. 1821) is amended by adding at the end the following new subsection:

"(u) PURCHASE RIGHTS OF TENANTS.—

"(1) NOTICE.—Except as provided in paragraph (3), the Corporation may make available for sale a 1- to 4-family residence (including a manufactured home) to which the Corporation acquires title only after the Corporation has provided the household residing in the property notice (in writing and mailed to the property) of the availability of such property and the preference afforded such household under paragraph (2).

"(2) PREFERENCE.—In selling such a property, the Corporation shall give preference to any bona fide offer made by the household residing in the property, if—

"(A) such offer is substantially similar in amount to other offers made within such period (or expected by the Corporation to be made within such period);

"(B) such offer is made during the period beginning upon the Corporation making such property available and of a reasonable duration, as determined by the Corporation based on the normal period for sale of such properties; and

"(C) the household making the offer complies with any other requirements applicable to purchasers of such property, including any downpayment and credit requirements.

"(3) EXCEPTIONS.—Paragraphs (1) and (2) shall not apply to—

"(A) any residence transferred in connection with the transfer of substantially all of the assets of an insured depository institution for

which the Corporation has been appointed conservator or receiver;

"(B) any eligible single family property (as such term is defined in subsection (c)(9)); or

"(C) any residence for which the household occupying the residence was the mortgagor under a mortgage on such residence and to which the Corporation acquired title pursuant to default on such mortgage."

SEC. 16. PREFERENCE FOR SALES OF REAL PROPERTY FOR USE FOR HOMELESS FAMILIES.

(a) RTC.—Section 21A(b) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new paragraph:

"(16) PREFERENCE FOR SALES FOR HOMELESS FAMILIES.—Subject to paragraph (15), in selling any real property (other than eligible residential property and eligible condominium property, as such terms are defined in subsection (c)(9)) to which the Corporation acquires title, the Corporation shall give preference, among substantially similar offers, to any offer that would provide for the property to be used, during the remaining useful life of the property, to provide housing or shelter for homeless persons (as such term is defined in section 103 of the Stewart B. McKinney Homeless Assistance Act) or homeless families."

(b) FDIC.—Section 11 of the Federal Deposit Insurance Act (12 U.S.C. 1821), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

"(v) PREFERENCE FOR SALES FOR HOMELESS FAMILIES.—Subject to subsection (u), in selling any real property (other than eligible residential property and eligible condominium property, as such terms are defined in section 40(p)) to which the Corporation acquires title, the Corporation shall give preference, among substantially similar offers, to any offer that would provide for the property to be used, during the remaining useful life of the property, to provide housing or shelter for homeless persons (as such term is defined in section 103 of the Stewart B. McKinney Homeless Assistance Act) or homeless families."

SEC. 17. EXPEDITED MARKETING OF COMMERCIAL PROPERTIES TO PUBLIC AGENCIES AND NONPROFIT ORGANIZATIONS FOR USE IN CARRYING OUT PROGRAMS FOR AFFORDABLE HOUSING.

(a) RTC.—Section 21A(b) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new paragraph:

"(17) EXPEDITED MARKETING OF COMMERCIAL REAL PROPERTIES.—

"(A) AUTHORITY.—Notwithstanding any other provision of this section, the Corporation may, at the discretion of the Corporation, negotiate the sale under this paragraph of eligible commercial real properties of the Corporation to public agencies and nonprofit organizations in an expedited manner.

"(B) USE OF ELIGIBLE COMMERCIAL REAL PROPERTY.—The Corporation may sell an eligible commercial real property pursuant to such negotiations only if—

"(i) the purchaser agrees that the property, during the remaining useful life of the property, shall be used for offices and administrative purposes of the purchaser to carry out a program to acquire residential properties to provide (I) homeownership and rental housing opportunities for very-low income, lower-income, and moderate-income families, or (II) housing or shelter for homeless persons (as such term is defined in section 103 of the Stewart B. McKinney Homeless Assistance Act) or homeless families; and

"(ii) the Corporation determines that such sale will result in net present value proceeds substantially similar to the amount of such proceeds that would have resulted from disposition of the property in the manner that would have been used but for disposition under this paragraph.

"(C) DEFINITIONS.—For purposes of this paragraph:

"(i) COMMERCIAL REAL PROPERTY.—The term 'commercial real property' means any property (I) to which the Corporation acquires title, and (II) that the Corporation, in the discretion of the Corporation, determines is suitable for use for the location of offices or other administrative functions involved with carrying out a program referred to in subparagraph (B)(i).

"(ii) NONPROFIT ORGANIZATION AND PUBLIC AGENCY.—The terms 'nonprofit organization' and 'public agency' have the meanings given the terms in subsection (c)(9)."

(b) FDIC.—Section 11 of the Federal Deposit Insurance Act (12 U.S.C. 1821), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

"(w) EXPEDITED MARKETING OF COMMERCIAL REAL PROPERTIES.—

"(1) AUTHORITY.—Notwithstanding any other provision of this section, the Corporation may, at the discretion of the Corporation, negotiate the sale under this subsection of eligible commercial real properties of the Corporation to public agencies and nonprofit organizations in an expedited manner.

"(2) USE OF ELIGIBLE COMMERCIAL REAL PROPERTY.—The Corporation may sell an eligible commercial real property pursuant to such negotiations only if—

"(A) the purchaser agrees that the property, during the remaining useful life of the property, shall be used for offices and administrative purposes of the purchaser to carry out a program to acquire residential properties to provide (i) homeownership and rental housing opportunities for very-low income, lower-income, and moderate-income families, or (ii) housing or shelter for homeless persons (as such term is defined in section 103 of the Stewart B. McKinney Homeless Assistance Act) or homeless families; and

"(B) the Corporation determines that such sale will result in net present value proceeds substantially similar to the amount of such proceeds that would have resulted from disposition of the property in the manner that would have been used but for disposition under this subsection.

"(3) DEFINITIONS.—For purposes of this subsection:

"(A) COMMERCIAL REAL PROPERTY.—The term 'commercial real property' means any property (i) to which the Corporation acquires title, and (ii) that the Corporation, in the discretion of the Corporation, determines is suitable for use for the location of offices or other administrative functions involved with carrying out a program referred to in paragraph (2)(A).

"(B) NONPROFIT ORGANIZATION AND PUBLIC AGENCY.—The terms 'nonprofit organization' and 'public agency' have the meanings given the terms in section 40(p)."

SEC. 18. FEDERAL HOME LOAN BANKS HOUSING OPPORTUNITY HOTLINE PROGRAM.

The Federal Home Loan Bank Act (12 U.S.C. 1422 et seq.) is amended by inserting after section 26 the following new section:

"SEC. 27. HOUSING OPPORTUNITY HOTLINE PROGRAM.

"(a) ESTABLISHMENT.—Each of the Federal Home Loan Banks shall establish and operate a program substantially similar (in the determination of the Board) to the 'Housing Opportunity Hotline' program established in October 1992, by the Federal Home Loan Bank of Dallas.

"(b) PURPOSE.—Each program established under this section shall provide information regarding the availability for purchase of single-family properties that are owned or held by Federal agencies and are located in the Federal Home Loan Bank district for such Bank. Each Federal Home Loan Bank shall consult with such agencies to acquire such information.

"(c) REQUIRED INFORMATION.—Each program established under this section shall provide information regarding the size, location, price, and other characteristics of such single family properties, the eligibility requirements for purchasers of such properties, the terms for such sales, and the terms of any available seller financing, and shall identify properties that are affordable to low- and moderate-income families.

"(d) TOLL-FREE TELEPHONE NUMBER.—Each program established under this section shall establish and maintain a toll-free telephone line for providing the information made available under the program.

"(e) DEFINITIONS.—For purposes of this section:

"(1) FEDERAL AGENCIES.—The term 'Federal agencies' means the Farmers Home Administration, the Federal Deposit Insurance Corporation, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the General Services Administration, the Department of Housing and Urban Development, the Resolution Trust Corporation, and the Department of Veterans Affairs.

"(2) SINGLE FAMILY PROPERTY.—The term 'single family property' means a 1- to 4-family residence, including a manufactured home."

SEC. 19. CONFLICT OF INTEREST PROVISIONS APPLICABLE TO THE FDIC.

(a) IN GENERAL.—Section 12 of the Federal Deposit Insurance Act (12 U.S.C. 1822) is amended by adding at the end the following new subsection:

"(f) CONFLICT OF INTEREST.—

"(1) APPLICABILITY OF OTHER PROVISIONS.—

"(A) CLARIFICATION OF STATUS OF CORPORATION.—The Corporation shall be an agency for purposes of title 18, United States Code.

"(B) TREATMENT OF CONTRACTORS.—Any individual who, pursuant to a contract or any other arrangement, performs functions or activities of the Corporation, under the direct supervision of an officer or employee of the Corporation, shall be deemed to be an employee of the Corporation for the purposes of title 18, United States Code and this Act. Any individual who, pursuant to a contract or any other agreement, acts for or on behalf of the Corporation shall be deemed to be a public official for the purposes of section 201 of title 18, United States Code.

"(2) ESTABLISHMENT OF REGULATIONS.—The Board of Directors shall prescribe regulations governing conflict of interest, ethical responsibilities, and post-employment restrictions applicable to officers and employees of the Corporation.

"(3) USE OF CONFIDENTIAL INFORMATION.—The Board of Directors shall prescribe regulations applicable to independent contractors governing conflicts of interest, ethical responsibilities, and the use of confidential information consistent with the goals and purposes of titles 18 and 41, United States Code.

"(4) DISAPPROVAL OF CONTRACTORS.—

"(A) IN GENERAL.—The Board of Directors shall prescribe regulations establishing procedures for ensuring that any individual who is performing, directly or indirectly, any function or service on behalf of the Corporation meets minimum standards of competence, experience, integrity, and fitness.

"(B) PROHIBITION FROM SERVICE ON BEHALF OF CORPORATION.—The procedures established under subparagraph (A) shall provide that the

Corporation shall prohibit any person who does not meet the minimum standards of competence, experience, integrity, and fitness from—

"(i) entering into any contract with the Corporation; or

"(ii) being employed by the Corporation or any person performing any service for or on behalf of the Corporation.

"(C) INFORMATION REQUIRED TO BE SUBMITTED.—The procedures established under subparagraph (A) shall require that any offer submitted to the Corporation by any person under this section and any employment application submitted to the Corporation by any person shall include—

"(i) a list and description of any instance during the 5 years preceding the submission of such application in which the person or a company under such person's control defaulted on a material obligation to an insured depository institution; and

"(ii) such other information as the Board may prescribe by regulation.

"(D) SUBSEQUENT SUBMISSIONS.—

"(i) IN GENERAL.—No offer submitted to the Corporation may be accepted unless the offeror agrees that no person will be employed, directly or indirectly, by the offeror under any contract with the Corporation unless—

"(I) all applicable information described in subparagraph (C) with respect to any such person is submitted to the Corporation; and

"(II) the Corporation does not disapprove of the direct or indirect employment of such person.

"(ii) FINALITY OF DETERMINATION.—Any determination made by the Corporation pursuant to this paragraph shall be in the Corporation's sole discretion and shall not be subject to review.

"(E) PROHIBITION REQUIRED IN CERTAIN CASES.—The standards established under subparagraph (A) shall require the Corporation to prohibit any person who has—

"(i) been convicted of any felony;

"(ii) been removed from, or prohibited from participating in the affairs of, any insured depository institution pursuant to any final enforcement action by any appropriate Federal banking agency;

"(iii) demonstrated a pattern or practice of defalcation regarding obligations to insured depository institutions; or

"(iv) caused a substantial loss to Federal deposit insurance funds,

from service on behalf of the Corporation.

"(5) ABROGATION OF CONTRACTS.—The Corporation may rescind any contract with a person who—

"(A) fails to disclose a material fact to the Corporation;

"(B) would be prohibited under paragraph (6) from providing services to, receiving fees from, or contracting with the Corporation; or

"(C) has been subject to a final enforcement action by any appropriate Federal banking agency.

"(6) PRIORITY OF FDIC RULES.—To the extent that the regulations under this subsection conflict with rules of other agencies or Government corporations, officers, directors, employees, and independent contractors of the Corporation who are also subject to the conflict of interest or ethical rules of another agency or Government corporation, shall be governed by the regulations prescribed by the Board of Directors under this subsection when acting for or on behalf of the Corporation."

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 3(z) of the Federal Deposit Insurance Act (12 U.S.C. 1813(z)) is amended to read as follows:

"(2) OTHER DEFINITIONS.—

"(I) FEDERAL BANKING AGENCY.—The term 'Federal banking agency' means the Comptroller

of the Currency, the Director of the Office of Thrift Supervision, the Board of Governors of the Federal Reserve System, or the Federal Deposit Insurance Corporation.

"(2) COMPANY.—The term 'company' has the meaning given to such term in section 2(b) of the Bank Holding Company Act of 1956."

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply after the end of the 6-month period beginning on the date of the enactment of this Act.

SEC. 20. RESTRICTIONS ON SALES OF ASSETS TO CERTAIN PERSONS.

(a) IN GENERAL.—Section 11(p) of the Federal Deposit Insurance Act (12 U.S.C. 1821(p)) is amended by redesignating paragraphs (1) and (2) as paragraphs (2) and (3) and by inserting before paragraph (2) (as so redesignated) the following new paragraph:

"(1) PERSONS WHO ENGAGED IN IMPROPER CONDUCT WITH, OR CAUSED LOSSES TO, DEPOSITORY INSTITUTIONS.—The Corporation shall prescribe regulations which, at a minimum, shall prohibit the sale of assets of a failed institution by the Corporation to—

"(A) any person who—

"(i) has defaulted, or was a member of a partnership or an officer or director of a corporation which has defaulted, on 1 or more obligations the aggregate amount of which exceed \$1,000,000 to such failed institution;

"(ii) has been found to have engaged in fraudulent activity in connection with any obligation referred to in clause (i); and

"(iii) proposes to purchase any such asset in whole or in part through the use of the proceeds of a loan or advance of credit from the Corporation or from any institution for which the Corporation has been appointed as conservator or receiver;

"(B) any person who participated, as an officer or director of such failed institution or of any affiliate of such institution, in a material way in transactions that resulted in a substantial loss to such failed institution;

"(C) any person who has been removed from, or prohibited from participating in the affairs of, such failed institution pursuant to any final enforcement action by an appropriate Federal banking agency; or

"(D) any person who has demonstrated a pattern or practice of defalcation regarding obligations to such failed institution."

(b) TECHNICAL AND CONFORMING AMENDMENTS.—Section 11(p) of the Federal Deposit Insurance Act (12 U.S.C. 1821(p)) is amended—

(1) in paragraph (2) (as so redesignated by the amendment made by subsection (a) of this section)—

(A) by striking "individual" and inserting "person"; and

(B) by striking "paragraph (2)" and inserting "paragraph (3)";

(2) in paragraph (3) (as so redesignated by the amendment made by subsection (a) of this section)—

(A) by striking "individual" each place such term appears and inserting "person"; and

(B) by striking "Paragraph (1)" and inserting "Paragraphs (1) and (2)";

(3) by adding at the end the following new paragraph:

"(4) DEFINITION OF DEFAULT.—For purposes of paragraphs (1) and (2), the term 'default' means a failure to comply with the terms of a loan or other obligation to such an extent that the property securing the obligation is foreclosed upon."; and

(4) by striking the heading and inserting the following new heading: "(p) CERTAIN SALES OF ASSETS PROHIBITED."

SEC. 21. WHISTLEBLOWER PROTECTION.

Section 33(a)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1831(a)(2)) is amended—

(1) by striking "or Federal Reserve bank" and inserting "Federal reserve bank, or any person who is performing, directly or indirectly, any function or service on behalf of the Corporation";

(2) by striking "or" at the end of subparagraph (B);

(3) by striking the period at the end of subparagraph (C) and inserting "; or"; and

(4) by adding at the end the following new subparagraph:

"(D) the person, or any officer or employee of the person, who employs such employee."

SEC. 22. FDIC ASSET DISPOSITION DIVISION.

(a) IN GENERAL.—Section 1 of the Federal Deposit Insurance Act (12 U.S.C. 1811) is amended—

(1) by striking "There is hereby created" and inserting "(a) ESTABLISHMENT OF CORPORATION.—There is hereby established"; and

(2) by adding at the end the following new subsection:

"(b) ASSET DISPOSITION DIVISION.—

"(1) ESTABLISHMENT.—The Corporation shall have a separate division of asset disposition.

"(2) MANAGEMENT.—The division of asset disposition shall have an administrator who shall be appointed by the Board of Directors.

"(3) POWERS AND DUTIES OF DIVISION.—The division of asset disposition shall exercise all the powers and duties of the Corporation under this Act relating to the liquidation of insured depository institutions and the disposition of assets of such institutions."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on July 1, 1995.

SEC. 23. PRESIDENTIALLY-APPOINTED INSPECTOR GENERAL FOR FDIC.

(a) IN GENERAL.—Section 11 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in paragraph (1), by inserting ", the Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation," after "Chairperson of the Thrift Depositor Protection Oversight Board"; and

(2) in paragraph (2), by inserting "the Federal Deposit Insurance Corporation," after "the Resolution Trust Corporation".

(b) NO REDUCTION IN RATE OF PAY OF EXISTING EMPLOYEES OF THE OFFICE OF THE IG OF THE FDIC.—

(1) IN GENERAL.—Notwithstanding paragraphs (7) and (8) of section 6(a) of the Inspector General Act of 1978, the annual rate of basic pay and benefits, including any regional pay differential, payable to any employee of the office of the inspector general of the Federal Deposit Insurance Corporation who was an employee of such office as of the date of the enactment of the Resolution Trust Corporation Completion Act for any year ending after such date of enactment shall not be reduced, by reason of the amendment made by subsection (a) of this section, below the annual rate of basic pay and benefits, including any regional pay differential, paid to such employee, by reason of such employment, as of such date.

(2) EMPLOYEES SERVING IN ACTING OR TEMPORARY CAPACITY.—Notwithstanding paragraph (1), in the case of any employee described in such paragraph who, as of the date of the enactment of the Resolution Trust Corporation Completion Act, is serving in an acting capacity or is otherwise temporarily employed at a higher grade than such employee's regular grade or position of employment—

(A) the annual rate of basic pay and benefits, including any regional pay differential, payable to such employee in such capacity or at such higher grade shall not be reduced by reason of the applicability of paragraph (7) or (8) of section 6(a) of the Inspector General Act of 1978 so

long as such employee continues to serve in such capacity or at such higher grade; and

(B) after such employee ceases to serve in such capacity or at such higher grade, paragraph (1) shall be applied with respect to such employee by taking into account only the annual rate basic pay and benefits, including any regional pay differential, payable to such employee in such employee's regular grade or position of employment.

(C) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 8E(a)(2) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking "the Federal Deposit Insurance Corporation,".

(2) Section 5315 of title 5, United States Code, is amended by adding at the end the following new item:

"Inspector General, Federal Deposit Insurance Corporation."

SEC. 24. DEPUTY CHIEF EXECUTIVE OFFICER.

Section 21A(b)(8) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)(8)) is amended by adding at the end the following new subparagraphs:

"(E) DEPUTY CHIEF EXECUTIVE OFFICER.—

"(i) IN GENERAL.—There is hereby established the position of deputy chief executive officer of the Corporation.

"(ii) APPOINTMENT.—The deputy chief executive officer of the Corporation shall—

"(I) be appointed by the Chairperson of the Thrift Depositor Protection Oversight Board, with the recommendation of the chief executive officer; and

"(II) be an employee of the Federal Deposit Insurance Corporation in accordance with subparagraph (B)(i) of this paragraph.

"(iii) DUTIES.—The deputy chief executive officer shall perform such duties as the chief executive officer may require.

"(F) ACTING CHIEF EXECUTIVE OFFICER.—In the event of a vacancy in the position of chief executive officer or during the absence or disability of the chief executive officer, the deputy chief executive officer shall perform the duties of the position as the acting chief executive officer."

SEC. 25. DUE PROCESS PROTECTIONS RELATING TO ATTACHMENT OF ASSETS.

Section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) is amended—

(1) by striking subsection (i)(4)(B) and inserting the following new subparagraph:

"(B) STANDARD.—

"(i) SHOWING.—Rule 65 of the Federal Rules of Civil Procedure shall apply with respect to any proceeding under subparagraph (A) without regard to the requirement of such rule that the applicant show that the injury, loss, or damage is irreparable and immediate.

"(ii) STATE PROCEEDING.—If, in the case of any proceeding in a State court, the court determines that rules of civil procedure available under the laws of such State provide substantially similar protections to such party's right to due process as Rule 65 (as modified with respect to such proceeding by clause (i)), the relief sought under subparagraph (A) may be requested under the laws of such State."

(2) in subsection (b), by adding the following new paragraph:

"(9) STANDARD FOR CERTAIN ORDERS.—No authority under this subsection or subsection (c) to prohibit any institution-affiliated party from withdrawing, transferring, removing, dissipating, or disposing of any funds, assets, or other property may be exercised unless the agency meets the standards of Rule 65 of the Federal Rules of Civil Procedure without regard to the requirement of such rule that the applicant show that the injury, loss, or damage is irreparable and immediate."

SEC. 26. GAO STUDIES REGARDING FEDERAL REAL PROPERTY DISPOSITION.

(a) RTC AFFORDABLE HOUSING PROGRAM.—The Comptroller General of the United States shall conduct a study of the program carried out by the Resolution Trust Corporation pursuant to section 21A(c) of the Federal Home Loan Bank Act to determine the effectiveness of such program in providing affordable homeownership and rental housing for very low-, low-, and moderate-income families. The study shall examine the procedures used under the program to sell eligible single family properties, eligible condominium properties, and eligible multifamily housing properties, the characteristics and numbers of purchasers of such properties, and the amount of and reasons for any losses incurred by the Resolution Trust Corporation in selling properties under the program. Not later than the expiration of the 6-month period beginning on the date of the enactment of this Act, the Comptroller General shall submit a report to the Congress on the results of the study under this subsection, which shall describe any findings under the study and contain any recommendations of the Comptroller General for improving the effectiveness of such program.

(b) SINGLE AGENCY FOR REAL PROPERTY DISPOSITION.—The Comptroller General of the United States shall conduct a study to determine the feasibility and effectiveness of establishing a single Federal agency responsible for selling and otherwise disposing of real property owned or held by the Department of Housing and Urban Development, the Farmers Home Administration of the Department of Agriculture, the Federal Deposit Insurance Corporation, and the Resolution Trust Corporation. The study shall examine the real property disposition procedures of such agencies and corporations, analyze the feasibility of consolidating such procedures through such single agency, and determine the characteristics and authority necessary for any such single agency to efficiently carry out such disposition activities. Not later than the expiration of the 12-month period beginning on the date of the enactment of this Act, the Comptroller General shall submit a report to the Congress on the study under this subsection, which shall describe any findings under the study and contain any recommendations of the Comptroller General for the establishment of such single agency.

The CHAIRMAN. No amendment to the substitute, as modified, is in order except the amendments en bloc printed in part 2 of House Report 103-237. The amendments en bloc may be offered only by a Member designated in the report, shall be considered as read, are not subject to amendment, and are not subject to a demand for a division of the question.

Debate time on the amendments en bloc will be equally divided and controlled by the proponent and an opponent of the amendments.

The Chair recognizes the gentleman from Texas [Mr. GONZALEZ].

AMENDMENTS EN BLOC OFFERED BY MR. GONZALEZ

Mr. GONZALEZ. Mr. Chairman, I offer amendments en bloc.

The CHAIRMAN. The Clerk will designate the amendments en bloc.

The text of the amendments en bloc is as follows:

Amendments en bloc offered by Mr. GONZALEZ: Page 17, strike line 19 and all that follows through page 20, line 21, and insert the following:

"(18) MINORITY PREFERENCE IN ACQUISITION OF INSTITUTIONS IN PREDOMINANTLY MINORITY NEIGHBORHOODS.—

"(A) IN GENERAL.—In considering offers to acquire any insured depository institution, or any branch of an insured depository institution, located in a predominantly minority neighborhood (as defined in regulations prescribed under subsection (s)), the Corporation shall prefer an offer from any minority individual, minority-owned business, or a minority depository institution, over any other offer that results in the same cost to the Corporation as determined under section 13(c)(4)(A) of the Federal Deposit Insurance Act.

"(B) CAPITAL ASSISTANCE.—

"(i) ELIGIBILITY.—In order to effectuate the purposes of this paragraph, any minority individual, minority-owned business, or a minority depository institution shall be eligible for capital assistance under the minority interim capital assistance program established under subsection (u)(1) and subject to the provisions of subsection (u)(3), to the extent that such assistance is consistent with the application of section 13(c)(4)(A) of the Federal Deposit Insurance Act under subparagraph (A).

"(ii) TERMS AND CONDITIONS.—Subsection (u)(4) shall not apply to capital assistance provided under this subparagraph.

"(C) PERFORMING ASSETS.—In the case of an acquisition of any depository institution or branch described in subparagraph (A) by any minority individual, minority-owned business, or a minority depository institution, the Corporation may provide, in connection with such acquisition and in addition to performing assets of the depository institution or branch, other performing assets under the control of the Corporation in an amount (as determined on the basis of the Corporation's estimate of the fair market value of the assets) not greater than the amount of net liabilities carried on the books of the institution or branch, including deposits, which are assumed in connection with the acquisition.

"(D) FIRST PRIORITY FOR DISPOSITION OF ASSETS.—In the case of an acquisition of any depository institution or branch described in subparagraph (A) by any minority depository institution, the disposition of the performing assets of the depository institution or branch to such individual, business, or minority depository institution shall have a first priority over the disposition by the Corporation of such assets for any other purpose.

"(E) DEFINITIONS.—For purposes of this paragraph—

"(i) ACQUIRE.—The term 'acquire' has the meaning given to such term in section 13(f)(8)(B) of the Federal Deposit Insurance Act.

"(ii) MINORITY.—The term 'minority' has the meaning given to such term in section 1204(c)(3) of the Financial Institutions Reform, Recovery and Enforcement Act of 1989.

"(iii) MINORITY DEPOSITORY INSTITUTION.—The term 'minority depository institution' has the meaning given to such term in subsection (s)(2).

"(iv) MINORITY-OWNED BUSINESS.—The term 'minority-owned business' has the meaning given to such term in subsection (r)(4).

Page 22, line 19, strike the closing quotation marks and the 2d period.

Page 22, after line 19, insert the following new paragraph:

"(2) CONTRACTING PROCEDURES.—In awarding any contract subject to the competitive bidding process, the Corporation shall apply

competitive bidding procedures no less stringent than those in effect on the date of the enactment of the Resolution Trust Corporation Completion Act."

Page 44, line 11, strike "16,000,000,000" and insert "\$8,000,000,000".

Page 50, strike lines 18 and 19 and insert the following:

SEC. 13. CHANGES AFFECTING ONLY FDIC AFFORDABLE HOUSING PROGRAM.

Page 50, line 20, before "Section" insert the following: "(a) INCLUSION OF SUBSIDIARIES' PROPERTIES IN PROGRAM.—"

Page 51, after line 2, insert the following new subsection:

(b) IMPLEMENTATION OF PROGRAM.—Notwithstanding any provisions of section 40 of the Federal Deposit Insurance Act or any other provision of law, in carrying such section 40 during fiscal year 1994 the Federal Deposit Insurance Corporation shall be deemed in compliance with such section if, in its sole discretion, the Corporation at any time modifies, amends, or waives any provisions of such section in order to maximize the efficient use of the available appropriated funds. The Corporation shall not be subject to suit for its failure to comply with the requirements of this provision or section 40 of the Federal Deposit Insurance Act in carrying out such section 40 during fiscal year 1994.

Page 57, strike line 12 and all that follows through page 58, line 22, and insert the following new subsection:

(b) PREFERENCE FOR USE FOR HOMELESS FAMILIES.—

(1) RTC.—Section 21A(c)(5) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(c)(5)) is amended—

(A) by striking "(5) PREFERENCE FOR SALES.—When" and inserting the following:

"(5) PREFERENCES FOR SALES.—

"(A) LOW-INCOME USE.—When"; and

(B) by adding at the end the following new subparagraph:

"(B) USE FOR HOMELESS FAMILIES.—In selling any eligible residential property, the Corporation shall give preference, among offers to purchase the property that will result in the same net present value proceeds, to any offer to purchase the property for use in providing housing or shelter for homeless individuals (as such term is defined in section 103 of the Stewart B. McKinney Homeless Assistance Act) or homeless families."

(2) FDIC.—Section 40(f) of the Federal Deposit Insurance Act (12 U.S.C. 1831q(f)) is amended—

(A) in paragraph (1), by striking "IN GENERAL" and inserting "LOW-INCOME USE"; and

(B) by adding at the end the following new paragraph:

"(4) USE FOR HOMELESS FAMILIES.—In selling any eligible residential property, the Corporation shall give preference, among offers to purchase the property that will result in the same net present value proceeds, to any offer to purchase the property for use in providing housing or shelter for homeless individuals (as such term is defined in section 103 of the Stewart B. McKinney Homeless Assistance Act) or homeless families."

Page 75, line 20, strike "among substantially similar offers" and insert the following: "among offers to purchase the property that will result in the same net present value proceeds".

Page 76, lines 10 and 11, strike "among substantially similar offers" and insert "among offers to purchase the property that will result in the same net present value proceeds".

Page 76, line 16, strike "EXPEDITED MARKETING" and insert "PREFERENCES FOR SALES".

Page 77, strike line 1 and all that follows through page 78, line 9, and insert the following:

"(17) PREFERENCES FOR SALES OF CERTAIN COMMERCIAL REAL PROPERTIES.—

"(A) AUTHORITY.—In selling any eligible commercial real properties of the Corporation, the Corporation shall give preference, among offers to purchase the property that will result in the same net present value proceeds, to any offer—

"(i) that is made by a public agency or nonprofit organization; and

"(ii) under which the purchaser agrees that the property shall be used, during the remaining useful life of the property, for offices and administrative purposes of the purchaser to carry out a program to acquire residential properties to provide (I) homeownership and rental housing opportunities for very-low, low-, and moderate-income families, or (II) housing or shelter for homeless persons (as such term is defined in section 103 of the Stewart B. McKinney Homeless Assistance Act) or homeless families.

Page 78, line 10, strike "(C)" and insert "(B)".

Page 78, line 12, strike "COMMERCIAL" and insert "ELIGIBLE COMMERCIAL".

Page 78, line 13, insert "eligible" before "commercial".

Page 78, line 20, strike "(B)(i)" and insert "(A)(i)".

Page 79, strike line 5 and all that follows through page 80, line 8, and insert the following:

"(w) PREFERENCES FOR SALES OF CERTAIN COMMERCIAL REAL PROPERTIES.—

"(1) AUTHORITY.—In selling any eligible commercial real properties of the Corporation, the Corporation shall give preference, among offers to purchase the property that will result in the same net present value proceeds, to any offer—

"(A) that is made by a public agency or nonprofit organization; and

"(B) under which the purchaser agrees that the property shall be used, during the remaining useful life of the property, for offices and administrative purposes of the purchaser to carry out a program to acquire of the residential properties to provide (i) homeownership and rental housing opportunities for very-low, low-, and moderate-income families, or (ii) housing or shelter for homeless persons (as such term is defined in section 103 of the Stewart B. McKinney Homeless Assistance Act) or homeless families.

Page 80, line 9, strike "(3)" and insert "(2)".

Page 80, line 11, strike "COMMERCIAL" and insert "ELIGIBLE COMMERCIAL".

Page 80, line 12, insert "eligible" before "commercial".

Page 80, line 18, strike "(2)(A)" and insert "(1)(B)".

Page 101, after line 7, insert the following new section:

SEC. 27. EXTENSION OF RTC POWER TO BE APPOINTED AS CONSERVATOR OR RECEIVER.

Section 21A(b)(3)(A)(ii) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)(3)(A)(ii)) is amended by striking "October 1, 1993" and inserting "April 1, 1995".

The CHAIRMAN. Pursuant to the rule, the gentleman from Texas [Mr. GONZALEZ] will be recognized for 15 minutes, and a Member opposed will be recognized for 15 minutes.

Mr. MCCOLLUM. Mr. Chairman, I am opposed to the amendment, and I would like to claim the 15 minutes.

The CHAIRMAN. The gentleman from Florida [Mr. MCCOLLUM] will be recognized for 15 minutes in opposition.

The Chair recognizes the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am glad today to join with many of my colleagues from the Committee on Banking, Finance and Urban Affairs, the gentleman from North Carolina [Mr. NEAL], the gentleman from Massachusetts [Mr. FRANK], from the Democratic side, and the gentleman from Iowa [Mr. LEACH], the gentleman from Louisiana [Mr. BAKER], and the gentlewoman from New Jersey [Mrs. ROUKEMA] from the minority, in offering this bipartisan leadership amendment.

Members of this body are painfully aware of our constituents' calls for less Government spending. The House can do so today by passing this amendment. As I have mentioned previously, the S&L's in RTC conservatorship are losing around \$3 million every day. So passing this bill would automatically save an enormous amount of money.

But this amendment goes even further. It cuts the authorization in current law for the Savings Association Insurance Fund from \$32 billion to \$8 billion. Generally, the savings and loan industry capitalizes its own insurance fund without taxpayer dollars. However, because the fund was completely bankrupted during the 1980's, one big S&L failure could topple it again. This amendment cuts the authorization that SAIF can draw on in such an emergency. It also places strict conditions on the use of these taxpayer funds, whereas under current law, there are no restrictions.

The amendment also makes other small changes that improve the bill. It gives the RTC more time to resolve those institutions currently under its control, while still closing the Corporation down 1 year ahead of schedule. The amendment also makes the minority and women-owned business provisions in the bill budget neutral. By voting for this amendment and this bill, Members will avoid increasing the deficit by \$3 million today, and ensure that the taxpayers do not assume a burden that properly rests with the savings and loan industry.

Mr. GONZALEZ. Mr. Chairman, I ask unanimous consent that the gentleman from North Carolina [Mr. NEAL] be recognized to manage the balance of the time.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Chair recognizes the gentleman from Florida [Mr. MCCOLLUM].

Mr. MCCOLLUM. Mr. Chairman, I yield myself so much time as I may consume.

Mr. Chairman, I just want to say that we on this side of the aisle in general are not opposed to this amendment, but there are provisions about it that will be discussed; some are for and some are against what has happened, but I think there are going to be provisions discussed to show this really does not do anything substantial to remedy the problems and defects in this bill. The funding amount remains at \$18.3 billion.

There is nothing in there that really remedies the bottom line problem with the quota issue with this bill.

The issue on the statute of limitations that I am about to yield time to the gentleman from New York to discuss are still a problem, in fact a greater problem than what came out of the Judiciary Committee which was not allowed on the floor as an amendment. There are lots of problems that remain, but the amendment itself around the edges and the margins are not going to get a lot of objections from us.

Mr. Chairman, I yield 4 minutes to the distinguished ranking member of the Committee on the Judiciary, the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, I thank my colleague for yielding this time to me.

Mr. Chairman, after H.R. 1340 was voted out of the House Banking Committee it was sequentially referred to the Judiciary Committee. This was due to its impact on the statute of limitations for civil tort actions and certain conflict of interest rules as applied to bank regulatory agencies. During the Judiciary Committee's consideration of H.R. 1340, Mr. BRYANT offered an amendment to clarify language in section 19 of the bill regarding the application of certain ethics guidelines to the Federal Deposit Insurance Corporation. That amendment was adopted unanimously by the committee and remains in the text of the bill before us today.

Additionally, an amendment was offered by the gentleman from Florida [Mr. MCCOLLUM] regarding an extension of the statute of limitations for certain tort actions contained in section 4 of the bill. The prior language of section 4 of H.R. 1340, as reported by the Banking Committee, provided that the statute of limitations for tort actions would be extended from 3 to 5 years. Also that it would be retroactive back to the date of the enactment of the Financial Institutions Reform, Recovery and Enforcement Act [FIRREA], August, 1989. After considerable debate and compromise, the McCollum amendment was adopted in the Judiciary Committee by a vote of 26 to 8 and would have limited the new extended statute of limitations to causes of action against officers or directors of failed institutions based only upon fraud or intentional misconduct.

The McCollum amendment was directed at willful intentional wrong-

doing, not negligence or gross negligence and was intended to narrow the scope of activity for which we would extend the statute of limitations. Our intent was to allow the RTC an extension to cover a situation where an individual knowingly and intentionally violated his or her fiduciary duty to an institution and instead put their own personal benefit first.

The Judiciary Committee amendment was made a part of the text of H.R. 1340 as reported by the Banking Committee and was contained in section 4 of the bill to be considered by this body. However, since the date of the Judiciary Committee markup, disagreement by Banking Committee members to the language has resulted in the new language which is before us today.

Mr. Chairman, I am sincerely disappointed that the Judiciary Committee language has been discarded.

The language before us today would extend the current statute of limitations for tort actions, including actions in negligence, from the current 3 years to 5 years and would allow the revival of claims regarding actions for fraud or intentional misconduct for which the statute of limitations has already expired. In other words, Mr. Chairman, we are reexposing individuals to liability, who, pursuant to this very law were free of liability due to the applicable statute of limitations. The language before us today, Mr. Chairman, creates substantial constitutional questions, and raises questions of fairness and equity.

For these reasons and others unrelated to this provision, I oppose the bill and urge my colleagues to vote no.

□ 1330

Mr. NEAL of North Carolina. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the amendment.

This is a bipartisan leadership amendment to H.R. 1340. It incorporates many Republican positions and addresses many Republican, as well as Democratic, concerns. Both parties were actively involved in the negotiations for this amendment and were, I am pleased to say, able to reach a satisfactory compromise.

The leadership amendment addresses Republican concerns with funding for the SAIF, the budget implications of the various management reforms, and RTC contracting procedures.

Specifically, the amendment extends the date for the RTC to take over failed institutions by 18 months to March 31, 1995. The RTC has essentially been without money for 18 months and this extension permits sufficient time for the RTC to use the funds we provide to resolve those failed institutions that are the byproduct of the S&L debacle of the 1980's.

Current law provides an authorization of \$32 billion for the SAIF, which is responsible for resolving thrifts after the RTC is phased out. In light of the most recent cost estimates, the leadership amendment reduces such funding even further than currently provided in H.R. 1340: from \$16 to \$8 billion. This reduction will ensure that Congress is authorizing only those funds that are absolutely necessary to meet the Federal Government's obligation to pay depositors.

This leadership amendment also requires that the provisions involving affordable housing and the minority preference in acquisitions of institutions located in minority neighborhoods be effectively subject to the least cost test, thereby bringing the cost of these provisions down to zero.

Finally, the amendment requires the RTC to apply competitive contracting procedures no less stringent than those in effect on the date of enactment of the legislation to contracts competitively awarded after the date of enactment. This will ensure that the American taxpayer is getting the best deal possible. It implements Secretary Bentsen's seventh management reform of strengthening the RTC's contracting systems.

The bipartisan amendment leaves intact all of the management reforms concerning asset sales, contracting, oversight, professional liability litigation, and management information included in the original Banking Committee print.

Both parties compromised and worked together to develop this amendment because we understand that Congress must provide additional funds to the RTC: this Nation cannot afford any further delay in funding—estimated to cost taxpayers \$3 million a day. We also understand that a failure to fund the RTC would eventually cause a default under the deposit insurance guarantees somewhere in the deposit insurance system, which would precipitate runs on banks and thrifts alike.

Congress must provide additional funding to the RTC. The leadership amendment improves the Banking Committee's vehicle for such funding. It has bipartisan support and addresses many of the questions and concerns of Members on both sides of the aisle.

I urge support of the amendment.

Mr. MCCOLLUM. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. LEACH], the ranking member of the full Committee on Banking, Finance and Urban Affairs.

Mr. LEACH. Mr. Chairman, I thank the gentleman from Florida [Mr. MCCOLLUM] for yielding this time to me. I recognize how a Member votes on final passage may be a close call. But this amendment represents a prudent effort at accommodation between both parties on several important issues.

Here let me stress that the comments of the very distinguished ranking member of the Committee on the Judiciary [Mr. FISH] related to a provision of the bill that was a self-executing part of the rule. It does not go to this amendment whatsoever.

This amendment, Mr. Chairman, has two crucial provisions. One is that it reduces the obligations on the taxpayer. In fact, with this amendment the obligations on the taxpayer are about half what the administration requested earlier this spring. Second, as this body knows, some controversy has sprung from the quasi-quota provisions in this bill. This amendment causes a least cost resolution of the rules applied to the minority contracting provisions and, therefore, is a step toward meeting minority party concerns, not, I would say, a step that will be sufficient for all Members, but certainly a step toward minority concerns.

Finally, Mr. Chairman, let me just comment about the timeliness of congressional action. The refusal of this Congress to take appropriate steps in the early 1980's cost the taxpayer tens of billions of dollars. Ironically, a cautious approach to resolution of some of these issues in the early 1990's during a near perfect macroeconomic environment for the financial services industry has probably saved the taxpayer a quarter to a third of what was lost by tardiness of action a decade earlier. Today it strikes me that the safest economic bet would appear to be to seek rather rapid resolution of the final RTC problem cases and to wrap all of the issues up in the next year to year and a half, as this bill contemplates.

Mr. Chairman, now is the time, once and for all, to put this issue behind us and get on with dealing with the problems of the economy at large instead of those that relate to one particularist sector, the financial community. Accordingly, I urge adoption of this amendment and, on final passage, would hope Members would give the benefit of the doubt to resolving a problem we unfortunately helped create.

Mr. NEAL of North Carolina. Mr. Chairman, I yield 4½ minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Chairman, I rise in support of the leadership amendment offered by our distinguished chairman and ranking member of the Banking Committee, and I am happy to lend my name to the amendment.

This amendment attempts to address several concerns expressed by Republican members, including myself, which we have with the text of the bill before us. Although the amendment contains five provisions, I want to focus on two specific additions.

First, this amendment reduces the amount of funds made available to the

Savings Association Insurance Fund by \$8 billion. This agreement was in direct response to the concerns of the gentleman from Louisiana [Mr. BAKER].

Despite the recognized need to provide adequate funds for the SAIF, in order to avoid the mistake we made in the 1980's of not adequately monitoring the stability of the FSLIC, I believe the \$8 billion is sufficient to meet the Government's obligations to depositor's.

The second provision attempts to address the controversy surrounding the section of the bill dealing with the distribution of contracts within the minority and women-owned business set-aside program. The bill requires the RTC to develop guidelines which would help the RTC find ways to award contracts to minority firms on a more equal basis than is now being achieved.

Unlike some, I believe the RTC is doing a good job in providing outreach services to help minority and women-owned businesses participate in the set-aside program for contracting. It is disconcerting that some would want to force the RTC into creating what is essentially a quota within a quota system. I see no evidence that the RTC's current competitive contracting program is not fair and above board and that the contracts are being let on something other than a competitively bid process.

The current language in the bill is unfortunate, precedent setting, and serves no real purpose. However, it is there and it was felt that the Congress had to make it clear that any guidelines written with respect to the distribution of contracts could not serve to undermine or supersede existing contracting procedures. This is what the language of the amendment states.

While several of my colleagues have expressed deep concerns over this provision and are uncomfortable with the language of the amendment, I believe it is an improvement.

Mr. Chairman, I point out to my colleagues that this amendment was crafted in bipartisan spirit of cooperation and I urge their support for it.

□ 1340

Mr. MCCOLLUM. Mr. Chairman, I yield 4 minutes to the gentleman from Louisiana [Mr. BAKER], a member of the committee.

Mr. BAKER of Louisiana. Mr. Chairman, I thank the gentleman for yielding this time to me, and I wish to express my appreciation to the chairman of the committee and the ranking member, the gentleman from Florida [Mr. MCCOLLUM], and all who were involved in trying to forge what has been a very difficult solution to what is basically a big mess. Everyone in America knows what the RTC is all about, and unfortunately very few constituents feel very good about the activities of the RTC and where taxpayer money has been going.

But at the moment we have an entirely different problem that we should concern ourselves with. What happens if this Congress does nothing today? We have all heard the stories about the \$3 million running costs for each day the Congress refuses to act. But there is something more important here than just the \$3 million-a-day cost. On September 30 of this year the RTC as we know it will no longer have the ability to deal with new problems. They only become an administrative agency, and the law allows them to stay alive through 1996. So with the money they now have, they continue to limp along for another several years without any enhanced ability to deal with new problems.

Where do the new problems go when an institution gets into trouble? They will be forced over into the SAEF fund, another insurance fund that is in trouble. So if a California or a New York or a New England institution gets into trouble and there is not enough money in the SAEF fund to deal with that conservatorship, what happens? Those folks are going to come back to this Congress and say, "We have depositors who need to be paid off. We need to shut these institutions down and save money."

I say to my friends that if we do not act today and do nothing, we are going to ensure that this Congress deals again and again and again with the funding of the RTC.

What does the amendment in front of us do? Contrary to other comments, this amendment shortens the life of the RTC from 1996 to 1995. They are gone, they are dead, they are history. But in the meantime we give them managerial authority to deal with the problems they currently have and forestall putting those obligations into the SAEF fund, because there is no money in the SAEF fund.

Now, even if you are not interested in what happens to the savings and loan in your hometown, you must deal with the fact that if there are no funds in SAEF and there is no way for them to pay off losses, the premiums that the S&L will pay may go up to 30 base points. What does that mean? It simply means that for the savings and loan it gets harder and harder and harder for it to stay alive in a tough marketplace. It means more institutions may close. It means that more people will come back to this Congress. And guess what? They will ask us for money.

Now, if we want to resolve the RTC matter once and for all, as distasteful as this vote may be, we will be voting for the least-cost alternative proposed on this floor to date. We are our allowing the \$18 billion previously authorized to be used again, and we have cut the SAEF authorization from \$16 billion down to \$8 billion. The \$26 billion figure in this bill is the lowest opportunity we will have to responsibly fund

the actions of the RTC. By refusing to act, we are guaranteeing another politically distasteful vote and, much worse, more irresponsible use of the taxpayer money, and we will pass by the one opportunity we have to do this the right way.

Mr. Chairman, I urge the Members to carefully consider this amendment. To vote against it is in no one's best interest.

The CHAIRMAN. The Chair wishes to advise that the gentleman from Florida [Mr. MCCOLLUM] has 4 minutes remaining on the amendment, and the gentleman from North Carolina [Mr. NEAL] has 5½ minutes remaining.

Mr. NEAL of North Carolina. Mr. Chairman, may I inquire, who has the right to close?

The CHAIRMAN. The gentleman from Florida [Mr. MCCOLLUM] has the right to close.

Mr. NEAL of North Carolina. Mr. Chairman, I have no further speakers, but before I yield back the balance of my time, I yield myself such time as I may consume to make the following comments.

Mr. Chairman, I wish to take just a moment to thank again the chairman of the committee, the gentleman from Texas [Mr. GONZALEZ], the ranking member, the gentleman from Iowa [Mr. LEACH], the gentleman from Louisiana [Mr. BAKER], and the gentlewoman from New Jersey [Mrs. ROUKEMA] and the others on our side who have worked to forge a bipartisan approach to solve this problem that none of us like, because it is something that all of us wish would magically go away. But I do thank all who have worked so hard to try to solve this problem in the interest of the American taxpayers and on behalf of those who have depended on the word of the Federal Government. I do sincerely thank the Members.

Mr. BAKER of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. NEAL of North Carolina. I yield to the gentleman from Louisiana.

Mr. BAKER of Louisiana. Mr. Chairman, earlier in my comments I commented on the work of the chairman and the ranking member on our side in working out the details to date, and certainly in as much time as the gentleman from North Carolina and I have spent butting heads over this issue in the last 2 months, I wish to make it quite clear that the gentleman has been most significant in his contributions and efforts in trying to reach a middle ground and a responsible solution. I certainly wish to express that feeling to the gentleman from North Carolina.

Mr. NEAL of North Carolina. Mr. Chairman, I thank the gentleman for that observation, and let me say that he certainly has made every effort to work something out. I have to say that the gentleman was a very staunch op-

ponent and did yeoman work in coming in with something that he felt comfortable with, something that would work. I thank him again for this effort.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. MCCOLLUM] to close the debate.

Mr. MCCOLLUM. Mr. Chairman, I yield myself such time as I have remaining.

Mr. Chairman, if I could, I would like to state first of all again up front that it is not a problem of what this amendment does, but it is what this amendment does not do and what some people may be led to believe it does. It is not an amendment that corrects the fundamental flaws of the RTC bill, and as opposed to what has been characterized out here, it is not a true leadership amendment.

It is true that a handful of our Republicans on the Banking Committee who are in senior status did indeed negotiate this amendment in good faith with the majority party, but in fact it is only a handful of the members of the Banking Committee, and it had absolutely nothing to do with the full leadership of the Republican Party. They had nothing to do with it on this side. I dare say that the overwhelming majority of those on our side of the aisle do not feel this amendment remedies the problems in this bill, and that is why they did not participate in it.

So with all due respect and from my understanding of the terminology used, I do think that the Members need to understand that when it is characterized as a leadership amendment, that is very misleading. It is not in the sense that we traditionally bring that term forward here and say that there has been an understanding between the two leaderships of the two parties.

Second, I would like to say what the amendment does not do. First of all, what the gentleman from New York [Mr. FISH] talked about at the beginning of this debate on the amendment is relevant, not that it is in the amendment but in the fact that it is a self-executing rule that this amendment did not address, and that is the question of the extension of the statute of limitations, keeping officers and directors liable retroactively for the type of tort activity which many of us do not believe should be done retroactively. And I think the gentleman, who is a senior member of the Judiciary Committee, expressed the view that I have, speaking also as a member of that committee, very well. From our standpoint, that is an egregious thing to do, to go back and have the retroactive feature that is put into place in this bill. And the amendment we are dealing with now does not correct that problem.

□ 1350

It keeps it. It is there. It is an extraordinarily bad feature, and it really should not be in the law.

Second, the discussion with regard to these minority quotas are not adequately addressed by any means in this. The language of the committee is still there that sets the quotas up for hiring, for contracting out.

The RTC's current competitive bidding procedures will continue to apply, they say, in the amendment that we have before us. I would suggest to Members that since the language in the bill, original bill remains the same, that we have two scenarios that can result.

One is extensive litigation by any subgroup that feels slighted by the contracting process, or de facto implementation of quotas within quotas given the ambiguity that is here.

RTC spent \$190 million on lawyers fees last year. Wait till they get ahold of this thing with the ambiguity that is written into it and what I think is a demand for quotas within quotas that is still in the bill and see how many lawyers fees will be run up after that. And then, of course, to me the most egregious part of this all is the fact that while, yes, the gentleman from Louisiana [Mr. BAKER] is right, we did reduce the amount of authorization for the SAIF Fund, we did not do anything to reduce or eliminate the primary funding of RTC. There is still \$18.3 billion that are unnecessarily being appropriated in this bill. The amendment does not address that. There is no reduction. Not one red cent of that is needed. That is the most egregious part of this bill, \$18.3 billion.

RTC has \$7 billion in cash. Nobody has disputed that. Why do they not go ahead and spend it? They have \$5 billion in a line of credit, and they have billions of assets they could borrow against.

I think that the irresponsible thing is to vote for this bill.

The argument being made, that it costs \$1 billion a day to continue this process, pales by comparison, I do not even know if that figure is correct, but is pales by comparison to the \$15 billion or \$20 billion we saved last year alone by not giving them more money. Now we are about to do that, closing institutions that do not need to be closed, in some cases. And quite frankly, they just do not need the money to do what they have already got scheduled to do.

It is adding to the deficit, the \$18.3 billion. And this amendment does not remedy that fact. We are adding \$18.3 billion unnecessarily to the deficit.

RTC has all the money it needs to complete its job. I am not quoting from just Mr. Seidman, as somebody said a while ago. That is the fundamental analysis done by a lot of people, and it is consistent with GAO findings.

I urge my colleagues, while they may adopt this amendment, do not be fooled by it. In the end, we need a "no" vote on the final passage of this bill. Vote against this wasteful, shameful continuation of the Resolution Trust Corporation.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in support of the Gonzales-Leach amendment. While I would have preferred more favorable SAIF provisions, I realize this compromise is the best we can do at the present time.

The amendment, which extends RTC's authority to resolve defunct thrifts for an additional 18 months, will allow the SAIF time to accumulate reserves so that the industry may assume responsibility for future S&L failures after March 31, 1995. However, with \$800 million a year in premiums diverted to pay interest on bonds issued to resolve the FSLIC, the SAIF may not be able to accumulate enough reserves by the March 31, date and therefore would still face the burdensome certification language in H.R. 1340.

This language, while supported by some Members as responsible taxpayer policy, may have disastrous effects on the future of the S&L industry. Under H.R. 1340, S&L's cannot access the \$16 billion SAIF authorization until the Treasury certifies that they are unable to pay higher premiums required to cover any additional industry losses. This provision may significantly increase the premiums of healthy, federally insured thrifts. And at a time when Bank Insurance Fund premiums are declining, the unfavorable differential between the two will severely weaken S&L's ability to attract capital and compete with banks. In effect, this provision could increase S&L failures and taxpayers costs.

I support the Gonzalez-Leach amendment as it is the best we can do at the present time, and I encourage my colleagues to support it and the bill so that the RTC can finish its mission. However, should inadequate SAIF reserves warrant implementation of the bill's certification requirements, I urge the Banking Committee to revisit this issue to prevent further S&L failures. In Connecticut and the Northeast we need a strong S&L industry to foster continued growth in our housing markets which will in turn create many new jobs in our region. Support Gonzalez-Leach.

Mr. FLAKE. Mr. Speaker, I rise in support of this important legislation. During the debate on the rule, I stated that in my capacity as chairman of the Subcommittee on General Oversight, Investigations, and the Resolution of Failed Financial Institutions, I have held hearings that concluded that we cannot afford to delay the cleanup of this burden and financial strain.

It is our obligation to make good on Federal Deposit Insurance promises and to protect our Nation's insured depositors. The only way to fulfill our obligation is to provide the necessary depositor protection funding. In addition, it is critical to use this vehicle to impose the necessary reforms on the RTC which would do much to improve the corporation's performance, efficiency, and ensure a smooth closure of the RTC.

To the best of my knowledge, I am the only Member of Congress to set foot in the RTC

and see their operation first-hand. From this visit, I am encouraged that the new administration has made managerial changes and that the RTC is on track to closing its business. As chairman of the subcommittee that has oversight over the RTC, I am convinced that this legislation will help the RTC to complete its mission. It is hard for me to believe that the savings and loan bailout was the first issue that I addressed in the Banking Committee when I arrived in Congress 7 years ago. It is clearly time to responsibly deal with this issue and put it behind us forever.

The negative ramifications of inaction would be vast. For example, Federal Reserve Chairman Alan Greenspan stated in yesterday's Wall Street Journal, "if adequate funds are not appropriated for the SAIF, it is likely that SAIF member institutions would operate at an ongoing disadvantage to other financial concerns and consequently would be less able to attract capital to maintain their financial health." Let me emphasize that access to these funds should not be denied by inappropriately harsh certification requirements. We can ill afford either to let the almost completed cleanup of the troubled and insolvent thrifts lose its footing toward more stable conditions, or ignore conditions that will cause future instability and risk.

I ask my colleagues to make this difficult vote and stand to fulfill our obligation to this Nation's insured depositors. Please vote in support of this legislation.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

The question is on the amendments en bloc offered by the gentleman from Texas [Mr. GONZALEZ].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. NEAL of North Carolina. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 411, noes 15, answered "present" 1, not voting 11, as follows:

[Roll No. 431]

AYES—411

Abercrombie	Bevill	Cantwell	Darden	Inglis	Neal (NC)
Ackerman	Bilbray	Cardin	de la Garza	Inhofe	Norton (DC)
Andrews (ME)	Billakis	Carr	de Lugo (VI)	Inslee	Nussle
Andrews (NJ)	Bishop	Castle	Deal	Istook	Oberstar
Andrews (TX)	Blackwell	Chapman	DeFazio	Jacobs	Obeys
Applegate	Bliley	Clay	DeLauro	Jefferson	Oliver
Archer	Blute	Clayton	DeLay	Johnson (CT)	Ortiz
Armey	Boehlert	Clement	Dellums	Johnson (GA)	Orton
Bacchus (FL)	Boehner	Clinger	Derrick	Johnson (SD)	Owens
Bachus (AL)	Bonior	Clyburn	Deutsch	Johnson (E.B.)	Oxley
Baessler	Boucher	Coble	Diaz-Balart	Johnston	Packard
Baker (CA)	Brewster	Coleman	Dickey	Kanjorski	Pallone
Baker (LA)	Brooks	Collins (GA)	Dicks	Kaptur	Parker
Ballenger	Browder	Collins (IL)	Dingell	Kasich	Pastor
Barca	Brown (CA)	Collins (MI)	Dixon	Kennedy	Paxon
Barcia	Brown (FL)	Condit	Dooley	Kennelly	Payne (NJ)
Barlow	Brown (OH)	Cooper	Dornan	Kildee	Payne (VA)
Barrett (NE)	Bryant	Coppersmith	Dreier	Kim	Pelosi
Barrett (WI)	Bunning	Costello	Duncan	King	Penny
Bartlett	Burton	Cox	Dunn	Kingston	Peterson (FL)
Barton	Buyer	Coyne	Durbin	Kleczka	Peterson (MN)
Bateman	Byrne	Cramer	Edwards (CA)	Klein	Petri
Becerra	Callahan	Crane	Edwards (TX)	Klink	Pickett
Beilenson	Calvert	Crapo	Emerson	Klug	Pickle
Bereuter	Camp	Cunningham	Engel	Kolbe	Pombo
Berman	Canady	Danner	English (AZ)	Kopetski	Pomeroy
			English (OK)	Kreidler	Porter
			Eshoo	Kyl	Portman
			Evans	LaFalce	Poshard
			Ewing	Lambert	Price (NC)
			Faleomavaega	Lancaster	Pryce (OH)
			(AS)	Lantos	Quinn
			Farr	LaRocco	Ramstad
			Fawell	Laughlin	Rangel
			Fazio	Lazio	Ravenel
			Fields (LA)	Leach	Reed
			Fields (TX)	Levin	Regula
			Filner	Levy	Reynolds
			Fingerhut	Lewis (CA)	Richardson
			Fish	Lewis (FL)	Roberts
			Flake	Lewis (GA)	Roemer
			Foglietta	Lightfoot	Rogers
			Ford (MI)	Linder	Rohrabacher
			Fowler	Livingston	Romero-Barcelo
			Frank (MA)	Lloyd	(PR)
			Franks (CT)	Long	Ros-Lehtinen
			Franks (NJ)	Lowey	Rose
			Furse	Machtley	Rostenkowski
			Gallagher	Maloney	Roth
			Gallo	Mann	Roukema
			Gejdenson	Manton	Rowland
			Gekas	Manzullo	Roybal-Allard
			Gephardt	Margolies	Royce
			Geren	Mezvinisky	Rush
			Gibbons	Markey	Sabo
			Gichrest	Martinez	Sanders
			Gillmor	Matsui	Sangmeister
			Gilman	Mazzoli	Santorum
			Gingrich	McCandless	Sarpalius
			Glickman	McCloskey	Sawyer
			Gonzalez	McCollum	Saxton
			Goodlatte	McCrery	Schenk
			Goodling	McCurdy	Schiff
			Gordon	McDade	Schroeder
			Goss	McDermott	Schumer
			Grams	McHale	Scott
			Grandy	McHugh	Sensenbrenner
			Green	McInnis	Serrano
			Greenwood	McKeon	Sharp
			Gunderson	McKinney	Shaw
			Gutierrez	McMillan	Shays
			Hall (OH)	McNulty	Shepherd
			Hall (TX)	Meehan	Shuster
			Hamburg	Meek	Sisisky
			Hamilton	Menendez	Skaggs
			Hancock	Meyers	Skeen
			Hansen	Mfume	Skelton
			Harman	Mica	Slatery
			Hastert	Michel	Slaughter
			Hastings	Miller (FL)	Smith (IA)
			Hefley	Mineta	Smith (MI)
			Hefner	Minge	Smith (NJ)
			Herger	Mink	Smith (OR)
			Hinchey	Moakley	Smith (TX)
			Hoagland	Molinari	Snowe
			Hobson	Mollohan	Solomon
			Hochbrueckner	Montgomery	Spence
			Hoekstra	Moorhead	Spratt
			Holden	Moran	Stark
			Horn	Morella	Stearns
			Houghton	Murphy	Stenholm
			Hoyer	Murtha	Stokes
			Hughes	Myers	Strickland
			Hunter	Nadler	Studds
			Hutchinson	Natcher	Stump
			Hutto	Neal (MA)	Stupak

Sundquist	Torricelli	Waxman
Swett	Trafiacant	Weldon
Swift	Underwood (GU)	Wheat
Synar	Unsoeld	Whitten
Talent	Upton	Williams
Tanner	Valentine	Wilson
Tauzin	Velazquez	Wise
Taylor (MS)	Vento	Wolf
Tejeda	Visclosky	Woolsey
Thomas (CA)	Volkmer	Wyden
Thomas (WY)	Vucanovich	Wynn
Thompson	Walker	Yates
Thornton	Walsh	Young (AK)
Thurman	Washington	Young (FL)
Torkildsen	Waters	Zeliff
Torres	Watt	Zimmer

NOES—15

Allard	Everett	Quillen
Bentley	Hilliard	Rahall
Bonilla	Hoke	Ridge
Combest	Johnson, Sam	Schaefer
Doolittle	Knollenberg	Taylor (NC)

ANSWERED "PRESENT"—1

Hyde

NOT VOTING—11

Borski	Hayes	Miller (CA)
Conyers	Huffington	Towns
Ford (TN)	Lehman	Tucker
Frost	Lipinski	

□ 1413

Mr. ALLARD changed his vote from "aye" to "no."

Ms. MOLINARI and Messrs. SMITH of Oregon, KLUG, and DUNCAN changed their vote from "no" to "aye." So the amendments en bloc were agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the Committee amendment in the nature of a substitute, as modified, as amended.

The Committee amendment in the nature of a substitute, as modified, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore. (Mr. TORRES) having assumed the chair, Mr. CARDIN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1340) to provide funding for the resolution of failed savings associations, and for other purposes, pursuant to House Resolution 250, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the Committee amendment adopted by the Committee of the Whole?

Mr. SOLOMON. Mr. Speaker, I demand a separate vote on the so-called en bloc amendments.

The SPEAKER pro tempore. The Clerk will report the amendments on which a separate vote has been demanded.

The Clerk read as follows:

Amendments en bloc:

Page 17, strike line 19 and all that follows through page 20, line 21, and insert the following:

"(18) MINORITY PREFERENCE IN ACQUISITION OF INSTITUTIONS IN PREDOMINANTLY MINORITY NEIGHBORHOODS.—

"(A) IN GENERAL.—In considering offers to acquire any insured depository institution, or any branch of an insured depository institution, located in a predominantly minority neighborhood (as defined in regulations prescribed under subsection (s)), the Corporation shall prefer an offer from any minority individual, minority-owned business, or a minority depository institution, over any other offer that results in the same cost to the Corporation as determined under section 13(c)(4)(A) of the Federal Deposit Insurance Act.

"(B) CAPITAL ASSISTANCE.—

"(i) ELIGIBILITY.—In order to effectuate the purposes of this paragraph, any minority individual, minority-owned business, or a minority depository institution shall be eligible for capital assistance under the minority interim capital assistance program established under subsection (u)(1) and subject to the provisions of subsection (u)(3), to the extent that such assistance is consistent with the application of section 13(c)(4)(A) of the Federal Deposit Insurance Act under subparagraph (A).

"(ii) TERMS AND CONDITIONS.—Subsection (u)(4) shall not apply to capital assistance provided under this subparagraph.

"(C) PERFORMANCE ASSETS.—In the case of an acquisition of any depository institution or branch described in subparagraph (A) by any minority individual, minority-owned business, or a minority depository institution, the Corporation may provide, in connection with such acquisition and in addition to performing assets of the depository institution or branch, other performing assets under the control of the Corporation in an amount (as determined on the basis of the Corporation's estimate of the fair market value of the assets) not greater than the amount of net liabilities carried on the books of the institution or branch, including deposits, which are assumed in connection with the acquisition.

"(D) FIRST PRIORITY FOR DISPOSITION OF ASSETS.—In the case of an acquisition of any depository institution or branch described in subparagraph (A) by any minority individual, minority-owned business, or a minority depository institution, the disposition of the performing assets of the depository institution or branch to such individual, business, or minority depository institution shall have a first priority over the disposition by the Corporation of such assets for any other purpose.

"(E) DEFINITIONS.—For purposes of this paragraph—

"(i) ACQUIRE.—The term 'acquire' has the meaning given to such term in section 13(f)(8)(B) of the Federal Deposit Insurance Act.

"(ii) MINORITY.—The term 'minority' has the meaning given to such term in section 1204(c)(3) of the Financial Institutions Reform, Recovery and Enforcement Act of 1989.

"(iii) MINORITY DEPOSITORY INSTITUTION.—The term 'minority depository institution' has the meaning given to such term in subsection (s)(2).

"(iv) MINORITY-OWNED BUSINESS.—The term 'minority-owned business' has the meaning given to such term in subsection (r)(4)."

Page 22, line 19, strike the closing quotation marks and the 2d period.

Page 22, after line 19, insert the following new paragraph:

"(20) CONTRACTING PROCEDURES.—In awarding any contract subject to the competitive bidding process, the Corporation shall apply competitive bidding procedures no less stringent than those in effect on the date of the enactment of the Resolution Trust Corporation Completion Act."

Page 44, line 11, strike "16,000,000,000" and insert "\$8,000,000,000".

Page 50, strike lines 18 and 19 and insert the following:

SEC. 13. CHANGES AFFECTING ONLY FDIC AFFORDABLE HOUSING PROGRAM.

Page 50, line 20, before "Section" insert the following: "(a) INCLUSION OF SUBSIDARIES' PROPERTIES IN PROGRAM.—"

Page 51, after line 2, insert the following new subsection:

(b) IMPLEMENTATION OF PROGRAM.—Notwithstanding any provisions of section 40 of the Federal Deposit Insurance Act or any other provision of law, in carrying such section 40 during fiscal year 1994 the Federal Deposit Insurance Corporation shall be deemed in compliance with such section if, in its sole discretion, the Corporation at any time modifies, amends, or waives any provisions of such section in order to maximize the efficient use of the available appropriated funds. The Corporation shall not be subject to suit for its failure to comply with the requirements of this provision or section 40 of the Federal Deposit Insurance Act in carrying out such section 40 during fiscal year 1994.

Page 57, strike line 12 and all that follows through page 58, line 22, and insert the following new subsection:

(b) PREFERENCE FOR USE FOR HOMELESS FAMILIES.—

(1) RTC.—Section 21A(c)(5) of the Federal Home Loan Bank Act (12 U.S.C. 1414a(c)(5)) is amended—

(A) by striking "(5) PREFERENCE FOR SALES.—When" and inserting the following: "(5) PREFERENCES FOR SALES.—"

"(A) LOW-INCOME USE.—When"; and

(B) by adding at the end the following new subparagraph:

"(B) USE FOR HOMELESS FAMILIES.—In selling any eligible residential property, the Corporation shall give preference, among offers to purchase the property that will result in the same net present value proceeds, to any offer to purchase the property for use in providing housing or shelter for homeless individuals (as such term is defined in section 103 of the Stewart B. McKinney Homeless Assistance Act) or homeless families."

(2) FDIC.—Section 40(f) of the Federal Deposit Insurance Act (12 U.S.C. 183q(f)) is amended—

(A) in paragraph (1), by striking "IN GENERAL" and inserting "LOW-INCOME USE"; and

(B) by adding at the end the following new paragraph:

"(4) USE FOR HOMELESS FAMILIES.—In selling any eligible residential property, the Corporation shall give preference, among offers to purchase the property that will result in the same net present value proceeds, to any offer to purchase the property for use in providing housing or shelter for homeless individuals (as such term is defined in section 103 of the Stewart B. McKinney Homeless Assistance Act) or homeless families."

Page 75, line 20, strike "among substantially similar offers" and insert the following: "among offers to purchase the property that will result in the same net present value proceeds".

Page 76, lines 10 and 11, strike "among substantially similar offers" and insert "among

offers to purchase the property that will result in the same net present value proceeds".

Page 76, line 16, strike "EXPEDITED MARKETING" and insert "PREFERENCES FOR SALES".

Page 77, strike line 1 and all that follows through page 78, line 9, and insert the following:

"(17) PREFERENCES FOR SALES FOR CERTAIN COMMERCIAL REAL PROPERTIES.—

"(A) AUTHORITY.—In selling any eligible commercial real properties of the Corporation, the Corporation shall give preference, among offers to purchase the property that will result in the same net present value proceeds, to any offer—

"(i) that is made by a public agency or nonprofit organization; and

"(ii) under which the purchaser agrees that the property shall be used, during the remaining useful life of the property, for offices and administrative purposes of the purchaser to carry out a program to acquire residential properties to provide (I) homeownership and rental housing opportunities for very-low, low-, and moderate-income families, or (II) housing or shelter for homeless persons (as such term is defined in section 103 of the Stewart B. McKinney Homeless Assistance Act) or homeless families."

Page 78, line 10, strike "(C)" and insert "(B)".

Page 78, line 12, strike "COMMERCIAL" and insert "ELIGIBLE COMMERCIAL".

Page 78, line 13, insert "eligible" before "commercial".

Page 78, line 20, strike "(B)(i)" and insert "(A)(ii)".

Page 79, strike line 5 and all that follows through page 80, line 8, and insert the following:

"(w) PREFERENCES FOR SALES OF CERTAIN COMMERCIAL REAL PROPERTIES.—

"(1) AUTHORITY.—In selling any eligible commercial real properties of the Corporation, the Corporation shall give preference, among offers to purchase the property that will result in the same net present value proceeds, to any offer—

"(A) that is made by a public agency or nonprofit organization; and

"(B) under which the purchaser agrees that the property shall be used, during the remaining useful life of the property, for offices and administrative purposes of the purchaser to carry out a program to acquire residential properties to provide (i) homeownership and rental housing opportunities for very-low, low-, and moderate-income families, or (ii) housing or shelter for homeless persons (as such term is defined in section 103 of the Stewart B. McKinney Homeless Assistance Act) or homeless families.

Page 80, line 9, strike "(3)" and insert "(2)".

Page 80, line 11, strike "COMMERCIAL" and insert "ELIGIBLE COMMERCIAL".

Page 80, line 12, insert "eligible" before "commercial".

Page 80, line 18, strike "(2)(A)" and insert "(1)(B)".

Mr. SOLOMON (during the reading). Mr. Speaker, I ask unanimous consent that the amendments en bloc be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The question is on the amendments en bloc.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SOLOMON. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 406, noes 15, not voting 12, as follows:

[Roll No. 432]

AYES—406

Abercrombie	Derrick	Houghton
Ackerman	Deutsch	Hoyer
Andrews (ME)	Diaz-Balart	Hughes
Andrews (NJ)	Dickey	Hunter
Andrews (TX)	Dicks	Hutchinson
Applegate	Dingell	Hutto
Archer	Dixon	Inglis
Bacchus (FL)	Dooley	Inhofe
Bachus (AL)	Dorman	Inslee
Baesler	Dreier	Istook
Baker (CA)	Duncan	Jacobs
Baker (LA)	Dunn	Johnson (CT)
Ballenger	Durbin	Johnson (GA)
Barca	Edwards (CA)	Johnson (SD)
Barcia	Edwards (TX)	Johnson, E.B.
Barlow	Emerson	Johnston
Barrett (NE)	Engel	Kanjorski
Barrett (WI)	English (AZ)	Kaptur
Bartlett	English (OK)	Kasich
Barton	Eshoo	Kennedy
Bateman	Evans	Kennelly
Becerra	Everett	Kildee
Bellenson	Ewing	Kim
Bereuter	Farr	King
Berman	Fawell	Kingston
Bevill	Fazio	Kleczka
Bilbray	Fields (LA)	Klein
Bilirakis	Fields (TX)	Klink
Bishop	Filner	Klug
Blackwell	Fingerhut	Kolbe
Bliley	Fish	Kopetski
Blute	Flake	Kreidler
Boehlt	Foglietta	Kyl
Boehner	Ford (MI)	LaFalce
Bonior	Ford (TN)	Lambert
Boucher	Fowler	Lancaster
Brewster	Frank (MA)	Lantos
Brooks	Franks (CT)	LaRocco
Browder	Franks (NJ)	Laughlin
Brown (FL)	Frost	Lazio
Brown (OH)	Furse	Leach
Bryant	Galleghy	Levin
Bunning	Gallo	Levy
Burton	Gedjenson	Lewis (CA)
Buyer	Gekas	Lewis (FL)
Byrne	Gephardt	Lewis (GA)
Callahan	Geren	Lightfoot
Calvert	Gibbons	Linder
Camp	Gilchrest	Livingston
Canady	Gillmor	Lloyd
Cantwell	Gilman	Long
Cardin	Gingrich	Lowe
Carr	Glickman	Machtley
Castle	Gonzalez	Maloney
Chapman	Goodlatte	Mann
Clay	Goodling	Manton
Clayton	Gordon	Manzullo
Clement	Goss	Margolies-
Clinger	Grams	Mezvinsky
Clyburn	Grandy	Markey
Coble	Green	Martinez
Coleman	Greenwood	Matsui
Collins (GA)	Gunderson	Mazzoli
Collins (IL)	Gutierrez	McCandless
Collins (MI)	Hall (OH)	McCloskey
Condit	Hall (TX)	McCollum
Cooper	Hamburg	McCrery
Coppersmith	Hamilton	McCurdy
Costello	Hancock	McDade
Cox	Hansen	McDermott
Coyne	Harman	McHale
Cramer	Hastert	McHugh
Crane	Hastings	McInnis
Crapo	Hayes	McKeon
Cunningham	Hefley	McKinney
Danner	Hefner	McMillan
Darden	Herger	McNulty
de la Garza	Hoagland	Meehan
Deal	Hobson	Meek
DeFazio	Hochbrueckner	Menendez
DeLauro	Hoekstra	Meyers
DeLay	Holden	Mfume
Dellums	Horn	Mica

Michel	Regula	Stokes
Miller (FL)	Reynolds	Strickland
Mineta	Richardson	Studds
Minge	Roberts	Stump
Mink	Roemer	Stupak
Moakley	Rogers	Sundquist
Mollinari	Rohrabacher	Sweet
Mollohan	Ros-Lehtinen	Swift
Montgomery	Rose	Synar
Moorhead	Rostenkowski	Talent
Moran	Roth	Tanner
Morella	Roukema	Tauzin
Murphy	Rowland	Taylor (MS)
Murtha	Roybal-Allard	Tejeda
Myers	Royce	Thomas (CA)
Nadler	Rush	Thomas (WY)
Natcher	Sabo	Thompson
Neal (MA)	Sanders	Thornton
Neal (NC)	Sangmeister	Thurman
Nussle	Santorum	Torkildsen
Oberstar	Sarpalius	Torres
Obey	Sawyer	Torricelli
Olver	Saxton	Trafficant
Ortiz	Schenck	Unsoeld
Orton	Schiff	Upton
Owens	Schroeder	Valentine
Oxley	Schumer	Velazquez
Packard	Scott	Vento
Pallone	Sensenbrenner	Vislosky
Parker	Serrano	Volkmer
Pastor	Sharp	Vucanovich
Paxon	Shaw	Walker
Payne (NJ)	Shays	Walsh
Payne (VA)	Shepherd	Washington
Pelosi	Shuster	Waters
Penny	Slisisky	Watt
Peterson (FL)	Skaggs	Waxman
Peterson (MN)	Skeen	Weldon
Petri	Skelton	Wheat
Pickett	Slattery	Whitten
Pickle	Slaughter	Williams
Pombo	Smith (IA)	Wilson
Pomeroy	Smith (MI)	Wise
Porter	Smith (NJ)	Wolf
Portman	Smith (OR)	Woolsey
Poshard	Smith (TX)	Wyden
Price (NC)	Snowe	Wynn
Pryce (OH)	Solomon	Yates
Quinn	Spence	Young (AK)
Ramstad	Spratt	Young (FL)
Rangel	Stark	Zeliff
Ravenel	Stearns	Zimmer
Reed	Stenholm	

NOES—15

Allard	Doolittle	Quillen
Armey	Hilliard	Rahall
Bentley	Hoke	Ridge
Bonilla	Johnson, Sam	Schaefer
Combest	Knollenberg	Taylor (NC)

NOT VOTING—12

Borski	Huffington	Lipinski
Brown (CA)	Hyde	Miller (CA)
Conyers	Jefferson	Towns
Hinchey	Lehman	Tucker

□ 1434

Mr. BONILLA changed his vote from "aye" to "no."

Mr. EVERETT and Mr. DEFAZIO changed their vote from "nay" to "yea."

So the amendments en bloc were agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. TORRES). The question is on the committee amendment in the nature of a substitute, as modified, as amended.

The amendment in the nature of a substitute, as modified, as amended, was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. MCCOLLUM

Mr. MCCOLLUM. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. MCCOLLUM. I am opposed to the bill, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MCCOLLUM moves to recommit the bill H.R. 1340 to the Committee on Banking, Finance, and Urban Affairs with instructions to report back the same forthwith with the following amendments:

Strike section 2.

Strike so much of section 3(a) as would include paragraph (15)-(17) in the new subsection (w) of section 21A of the FHLBA.

Strike section 4(a).

In section 5, add the following new subparagraph at the end of section 21 of the FHLBA:

"(z) REGIONAL PAY DIFFERENTIAL.—Notwithstanding any other provision of this Act, any locality based comparability payment or any other form of regional pay differential extended to any employee of the Thrift Depositor Protection Oversight Board or any employee assigned to the Corporation under subsection (b)(8) shall be made in conformity with standards for executive agencies under title 5 of the United States Code."

Mr. MCCOLLUM (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida [Mr. MCCOLLUM] is recognized for 5 minutes in support of his motion to recommit.

Mr. MCCOLLUM. Mr. Speaker, this motion to recommit is very simple. It takes the \$18.3 billion in funding and strikes it from the bill. It strikes the quota system, the mandated quotas that are put into this bill for minority and women-owned businesses. It strikes the backroom deal that was made that unfairly and retroactively extends the statute of limitations against directors and officers, and it adds language to limit excessive regional pay for FDIC and RTC personnel, and would allow the RTC to exist with its present funding capacity for the duration of the time needed to do the job.

The amendment we just passed through this bill does not really do much to it. I voted for it because around the margins it improves it. It cuts back the safe fund and so forth; but make no mistake about it, unless you vote for this motion to recommit, you are going to wind up with a vote in a few minutes on the final passage of an RTC bill that funds it for an additional \$18.3 billion.

Now, that is not needed. The RTC does not need one penny more. They

have \$7 billion in cash right now. They have a \$5 billion line of credit with the Treasury should they need it, and the GAO says they do not need more than \$11.9 billion.

I do not know what we are doing with nearly a \$4 trillion debt, adding to the deficit with another \$8.3 billion this afternoon.

This motion to recommit strikes that \$18.3 billion out of the bill and lets the RTC live for a while longer to finish its functions with the money it already has.

The assets in RTC it could borrow against, it could sell shortly, some say \$38 billion, some say \$70 billion worth of assets, it is going to put money back in the Treasury, I would hope, because the value of these assets has been appreciating.

There are those on the other side and some on our side today who have been saying, "Whoa, now, really and truly we need to have all this money."

Somehow, you know, it has got to come to this and we have to make the final cut.

Well, truthfully, we do not need a final cut here.

The \$18.3 billion authorization that some say still exists died last April—died. So do not fool yourselves nor let anybody else fool you. If you vote for this bill today the way it is, you are voting for an additional \$18.3 billion appropriation and you are adding to the deficit \$18.3 billion that is not needed, that is not necessary.

□ 1440

Bill Seidman has said many times to me he did not believe it was necessary. We debated edges off a letter he wrote down here to one of our colleagues earlier. The bottom line is that because we did not put any money into this last year, contrary to the critics, we actually saved about \$20 billion of taxpayer money because we did not close any of these S&L's that did not need to be closed and because the properties that are being held now have appreciated in value in Texas and elsewhere, and, as long as interest rates are down where they are now, it is going to continue to happen that way.

Mr. Speaker, we are absolutely crazy not to pass this motion to recommit or, at the very least, if it does not succeed, the vote against the final passage of this bill. We do not need to be giving away \$18 billion of taxpayer money.

Now, if that is not bad enough, I think my colleagues ought to know that in this bill still, despite the amendment that was just passed, is a quota system, a mandated quota system for minorities and women. We have never done that legislatively before. RTC already allocates a special proportion of minorities and women, \$7 or \$8 million in contracts. What are we doing codifying it?

There are those who say, "Well, we say, 'Follow the current guidelines,'

but they didn't take the language out that came out of committee that mandates the quotas. The very best case scenario, we're going to give them a whole lot more in attorneys fees to add to the already \$190 million they spent last year."

Mr. Speaker, the fact of the matter is we do not need to put quotas in statute. There is no reason to do that, and it is a very bad provision in this bill, and it is precedent setting. We should not pass this bill in this form. My motion to recommit strikes it out of there. If the motion to recommit does not pass, again another solid reason to vote "no" on this bill.

I would like to point out something else. Today, again and again, this agreement that just got passed that I voted on; I said, "OK, it's all right," was characterized as a leadership amendment or a leadership agreement. Only a handful of members of the Committee on Banking, Finance and Urban Affairs on our side of the aisle had anything to do with this. The overwhelming majority of those on this side of the aisle did not have anything to do with that amendment and understand that it did not do a thing to the basic flaws of this bill. It did not substantially change a thing. It is still \$18.3 billion in new money put in this bill for RTC that just is not needed, \$18.3 billion to an organization that has been wasting it, an organization we all know has its problems, but, above all else, an organization that flat out does not need it to finish its business.

So, Mr. Speaker, what this amendment does, what this motion to recommit does, is very simple. It does away with the \$18.3 billion, it does away with the quotas, does away with the retroactive feature of extending liability, and basically I urge that the motion to recommit be adopted, and, if it fails, vote "no" on the final passage of the bill.

Mr. GONZALEZ. Mr. Speaker, I must strongly oppose this motion.

The SPEAKER pro tempore. (Mr. TORRES). The gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes in opposition to the motion to recommit.

Mr. GONZALEZ. Mr. Speaker, this motion completely eliminates all the funding for RTC, and this is irresponsible, to say the least. For the Congress to pass this would be reprehensible. It would be recreating that period of time in which the Congress sat on its hands, did nothing, while the losses mounted astronomically.

Also, by striking the extension of the statute of limitations proviso it would let those who have ripped off the institutions and the taxpayers get away unaccountable and free. He would do away with that in this motion to recommit.

Finally, Mr. Speaker, by striking the minority and women contracting

amendments, which are in the law already, this recommittal amendment would bring to a dead halt efforts to bring about an equitable distribution of contracts instead of those awarded to cronies and favorites.

Mr. Speaker, I yield the balance of my time to the gentleman from North Carolina [Mr. NEAL].

Mr. NEAL of North Carolina. Mr. Speaker, for almost 60 years we have promised people in this country that their deposits will be safe in financial institutions. Now, if we follow the advice of the gentleman from Florida [Mr. MCCOLLUM], we will continue to do nothing, and the cost will be somewhere between \$3 and \$6 million a day.

We have been doing what the gentleman from Florida [Mr. MCCOLLUM] says is what we ought to do. No new money, and the cost is at least a billion dollars a year.

Mr. Speaker, it is totally irresponsible not to face up to this problem. If we do not pass this today, we will have to come back again next week, next month, sometime, to pass this bill. We have to fulfill this promise, and passing the bill is the most economically responsible way to do it.

The gentleman from Florida [Mr. MCCOLLUM] talks about minority quotas. There are no quotas in this bill. Every outreach program in the bill, with every outreach program, there is a requirement that there be no net cost. It cannot be a quota. We have worked out in this leadership amendment a clear mandate that there are no quotas. We have got to quit kidding ourselves. There is no way to do this on the cheap.

I say to my colleagues, "The only responsible way is to pass this bill, and I urge you to pass this bill today, fulfilling our promise that we have made for almost 60 years, avoid financial panic, and do it in the most economically sensible way."

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. MCCOLLUM. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 180, noes 242, answered "present" 1, not voting 10, as follows:

[Roll No. 433]

AYES—180

Allard	Baessler	Bateman
Andrews (TX)	Baker (CA)	Bentley
Applegate	Ballenger	Bereuter
Archer	Barrett (NE)	Billakis
Armey	Bartlett	Bliley
Bachus (AL)	Barton	Blute

Boehner	Hancock
Bonilla	Hansen
Bunning	Hastert
Burton	Hefley
Buyer	Herger
Callahan	Hilliard
Calvert	Hobson
Camp	Hoekstra
Canady	Hoke
Carr	Horn
Castle	Hunter
Chapman	Hutchinson
Clement	Hutto
Clinger	Inglis
Coble	Inhofe
Collins (GA)	Istook
Combest	Johnson, Sam
Condit	Kaptur
Costello	Kasich
Crane	Kim
Crapo	Kingston
Cunningham	Klug
Deal	Knollenberg
DeLay	Kyl
Diaz-Balart	Lambert
Dickey	Lancaster
Doolittle	Levy
Dornan	Lewis (CA)
Dreier	Lewis (FL)
Duncan	Lightfoot
Dunn	Linder
Emerson	Livingston
Everett	Manzullo
Ewing	McCandless
Fawell	McCollum
Fields (TX)	McCrery
Fish	McDade
Fowler	McHugh
Franks (CT)	McInnis
Franks (NJ)	McKeon
Galleghy	McMillan
Gallo	Meyers
Gekas	Mica
Gilchrist	Michel
Gillmor	Miller (FL)
Gilman	Mineta
Gingrich	Molinari
Goodlatte	Moorhead
Goodling	Myers
Goss	Nussle
Grams	Oxley
Grandy	Packard
Greenwood	Paxon
Gunderson	Penny

NOES—242

Abercrombie	Danner	Green
Ackerman	Darden	Gutierrez
Andrews (ME)	de la Garza	Hall (OH)
Andrews (NJ)	DeFazio	Hall (TX)
Bacchus (FL)	DeLauro	Hamburg
Baker (LA)	Dellums	Hamilton
Barca	Derrick	Harman
Barcia	Deutsch	Hastings
Barlow	Dicks	Hayes
Barrett (WI)	Dingell	Hefner
Becerra	Dixon	Hinchey
Beilenson	Dooley	Hoagland
Berman	Durbin	Hochbrueckner
Bevill	Edwards (CA)	Holden
Bilbray	Edwards (TX)	Houghton
Bishop	Engel	Hoyer
Blackwell	English (AZ)	Hughes
Boehlert	English (OK)	Inslee
Bonior	Eshoo	Jacobs
Boucher	Evans	Jefferson
Brewster	Farr	Johnson (CT)
Brooks	Fazio	Johnson (GA)
Browder	Fields (LA)	Johnson (SD)
Brown (FL)	Filner	Johnson, E. B.
Brown (OH)	Fingerhut	Johnston
Bryant	Flake	Kanjorski
Byrne	Foglietta	Kennedy
Cantwell	Ford (MI)	Kennelly
Cardin	Ford (TN)	Kildee
Clay	Frank (MA)	King
Clayton	Frost	Kiecuka
Clyburn	Furse	Klein
Coleman	Gejdenson	Klink
Collins (IL)	Gephardt	Kolbe
Collins (MI)	Geren	Kopetski
Cooper	Gibbons	Kreidler
Coppersmith	Glickman	LaFalce
Coyne	Gonzalez	Lantos
Cramer	Gordon	LaRocco

Peterson (MN)	Laughlin	Oberstar	Skaggs
Pombo	Lazio	Oliver	Skelton
Porter	Leach	Ortiz	Slattery
Portman	Levin	Orton	Slaughter
Poshard	Lewis (GA)	Owens	Smith (IA)
Pryce (OH)	Lloyd	Pallone	Spratt
Quillen	Long	Parker	Stark
Quinn	Lowey	Pastor	Stenholm
Rahall	Machtley	Payne (NJ)	Stokes
Ramstad	Maloney	Payne (VA)	Strickland
Ravenel	Mann	Pelosi	Studds
Regula	Manton	Peterson (FL)	Stupak
Ridge	Margolies-	Petri	Swett
Roberts	Mezvinsky	Pickett	Swift
Rogers	Markey	Pickle	Synar
Rohrabacher	Martinez	Pomeroy	Tanner
Ros-Lehtinen	Matsui	Price (NC)	Tejeda
Roth	Mazzoli	Rangel	Thompson
Royce	McCloskey	Reed	Thornton
Santorum	McCurdy	Reynolds	Thurman
Saxton	McDermott	Richardson	Torres
Schaefer	McHale	Roemer	Torricelli
Schiff	McKinney	Rose	Trafficant
Sensenbrenner	McNulty	Rostenkowski	Tucker
Shaw	Meehan	Roukema	Unsoeld
Shuster	Meek	Rowland	Valentine
Skeen	Menendez	Roybal-Allard	Velazquez
Smith (MI)	Mfume	Rush	Vento
Smith (NJ)	Minge	Sabo	Visclosky
Smith (OR)	Mink	Sanders	Volkmer
Smith (TX)	Moakley	Sangmeister	Washington
Snowe	Mollohan	Sarpaluis	Waters
Solomon	Montgomery	Sawyer	Watt
Spence	Moran	Schenck	Waxman
Stearns	Morella	Schroeder	Wheat
Stump	Murphy	Schumer	Whitten
Sundquist	Murtha	Scott	Wise
Talent	Nadler	Serrano	Woolsey
Tauzin	Natcher	Sharp	Wyden
Taylor (MS)	Neal (MA)	Shays	Wynn
Taylor (NC)	Neal (NC)	Shepherd	Yates
Thomas (CA)	Oberstar	Sisisky	Young (AK)

ANSWERED "PRESENT"—1

Hyde

NOT VOTING—10

Borski	Huffington	Towns
Brown (CA)	Lehman	Wilson
Conyers	Lipinski	
Cox	Miller (CA)	

□ 1504

Mrs. MINK, Mr. MORAN, and Mr. LEVIN changed their vote from "aye" to "no."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. TORRES). The question is on the passage of the bill.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. MCCOLLUM. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 214, noes 208, answered "present" 1, not voting 10, as follows:

[Roll No. 434]

AYES—214

Abercrombie	Berman	Byrne
Ackerman	Bilbray	Cantwell
Andrews (ME)	Bishop	Cardin
Bacchus (FL)	Blackwell	Clay
Baker (LA)	Boehlert	Clayton
Barlow	Bonior	Clyburn
Barrett (NE)	Boucher	Coleman
Barrett (WI)	Brooks	Collins (IL)
Becerra	Brown (FL)	Collins (MI)
Beilenson	Brown (OH)	Coppersmith
Bereuter	Bryant	Coyne

Panner	Klein	Price (NC)
de la Cruz	Klink	Rangel
Dellums	Kopetski	Reed
Derrick	Kreidler	Reynolds
Deutsch	LaFalce	Richardson
Dicks	Lancaster	Roemer
Dingell	Lantos	Rose
Dixon	LaRocco	Rostenkowski
Dooley	Laughlin	Roukema
Durbin	Lazio	Rowland
Edwards (CA)	Leach	Roybal-Allard
Edwards (TX)	Levin	Rush
English (AZ)	Levy	Sabo
Eshoo	Lightfoot	Sangmeister
Farr	Maloney	Sarpalius
Fawell	Mann	Sawyer
Fazio	Manton	Schen
Fields (LA)	Margolies-	Schumer
Fingerhut	Mezvisinsky	Scott
Flake	Markley	Serrano
Foglietta	Martinez	Shays
Ford (MI)	Matsui	Shepherd
Ford (TN)	McCloskey	Sisisky
Fowler	McCurdy	Skaggs
Frank (MA)	McDade	Skelton
Frost	McDermott	Slattery
Furse	McHale	Smith (IA)
Gedensson	McKinney	Spratt
Gephardt	McMillan	Stark
Geren	Meehan	Stenholm
Gibbons	Meek	Stokes
Gilchrest	Mfume	Strickland
Glickman	Michel	Studds
Gonzalez	Mineta	Stupak
Grandy	Mingo	Swett
Green	Mink	Swift
Gutierrez	Moakley	Tejeda
Hall (OH)	Mollohan	Thornton
Hall (TX)	Montgomery	Thurman
Hamburg	Moran	Torres
Hamilton	Morella	Tucker
Harman	Murphy	Unsoeld
Hastings	Murtha	Valentine
Hayes	Natcher	Velaquez
Hinchee	Neal (MA)	Vento
Hoagland	Neal (NC)	Volkmer
Hochbrueckner	Oberstar	Washington
Houghton	Obey	Waters
Hoyer	Oliver	Watt
Inslee	Ortiz	Waxman
Jacobs	Orton	Wheat
Jefferson	Parker	Whitten
Johnson (CT)	Pastor	Williams
Johnson (SD)	Payne (NJ)	Wilson
Johnson, E. B.	Payne (VA)	Wise
Johnston	Pelosi	Woolsey
Kanjorski	Peterson (FL)	Wyden
Kennedy	Petri	Wynn
Kennelly	Pickett	Yates
King	Pickle	Young (AK)
Kleccka	Porter	

NOES—208

Allard	Castle	Ewing
Andrews (NJ)	Chapman	Fields (TX)
Andrews (TX)	Clement	Filner
Applegate	Clinger	Fish
Archer	Coble	Franks (CT)
Armey	Collins (GA)	Franks (NJ)
Bachus (AL)	Combest	Galleghy
Baesler	Condit	Gallo
Baker (CA)	Cooper	Gekas
Ballenger	Costello	Gillmor
Barca	Cox	Gilman
Barcia	Cramer	Gingrich
Bartlett	Crane	Goodlatte
Barton	Crapo	Goodling
Bateman	Cunningham	Goss
Bentley	Darden	Grams
Bevill	Deal	Greenwood
Billirakis	DeFazio	Gunderson
Bliley	DeLauro	Hancock
Blute	DeLay	Hansen
Boehner	Diaz-Balart	Hastert
Bonilla	Dickey	Hefley
Brewster	Doolittle	Hefner
Browder	Dorman	Herger
Bunning	Dreier	Hilliard
Burton	Duncan	Hobson
Buyer	Dunn	Hoekstra
Callahan	Emerson	Hoke
Calvert	Engel	Holden
Camp	English (OK)	Horn
Canady	Evans	Hughes
Carr	Everett	Hutchinson

Hutto	Molinari	Shaw
Inglis	Moorhead	Shuster
Inhofe	Myers	Skeen
Istook	Nadler	Slaughter
Johnson (GA)	Nussle	Smith (MI)
Johnson, Sam	Owens	Smith (NJ)
Kaptur	Oxley	Smith (OR)
Kasich	Packard	Smith (TX)
Kildee	Pallone	Snowe
Kim	Paxon	Solomon
Kingston	Penny	Spence
Klug	Peterson (MN)	Stearns
Knollenberg	Pombo	Stump
Kolbe	Pomeroy	Sundquist
Kyl	Portman	Synar
Lambert	Poshard	Talent
Lewis (CA)	Pryce (OH)	Tanner
Lewis (FL)	Quillen	Tauzin
Lewis (GA)	Quinn	Taylor (MS)
Linder	Rahall	Taylor (NC)
Livingston	Ramstad	Thomas (CA)
Lloyd	Ravenel	Thomas (WY)
Long	Regula	Thompson
Lowe	Ridge	Torkildsen
Machtley	Roberts	Torricelli
Manzullo	Rogers	Traficant
Mazzoli	Rohrabacher	Upton
McCandless	Ros-Lehtinen	Visclosky
McCollum	Roth	Vucanovich
McCrery	Royce	Walker
McHugh	Sanders	Walsh
McInnis	Santorum	Weldon
McKeon	Saxton	Wolf
McNulty	Schaefer	Young (FL)
Menendez	Schiff	Zeliff
Meyers	Schroeder	Zimmer
Mica	Sensenbrenner	
Miller (FL)	Sharp	

ANSWERED "PRESENT"—1

Hyde

NOT VOTING—10

Borski	Huffington	Miller (CA)
Brown (CA)	Hunter	Towns
Conyers	Lehman	
Gordon	Lipinski	

□ 1523

Ms. MCKINNEY changed her vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read:

A bill to provide for the remaining funds needed to assure that the United States fulfills its obligation for the protection of depositors at savings and loan institutions, to improve the management of the Resolution Trust Corporation ("RTC") in order to assure the taxpayers the fairest and most efficient disposition of savings and loan assets, to provide for a comprehensive transition plan to assure an orderly transfer of RTC resources to the Federal Deposit Insurance Corporation, to abolish the RTC, and for other purposes.

A motion to reconsider was laid on the table.

Mr. GONZALEZ. Mr. Speaker, pursuant to the provisions of House Resolution 250, I call up from the Speaker's table the Senate bill (S. 714) to provide funding for the resolution of failed savings associations, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The text of S. 714 is as follows:

S. 714

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Thrift Depositor Protection Act of 1993".

SEC. 2. THRIFT RESOLUTION FUNDING PROVISIONS.

Section 21A(i) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(i)) is amended—

(1) in paragraph (3), by striking "until April 1, 1992"; and

(2) by adding at the end the following new paragraphs:

"(4) RELEASE OF RTC FUNDS CONTINGENT ON CERTIFICATION BY THE CHAIRPERSON OF THE THRIFT DEPOSITOR PROTECTION OVERSIGHT BOARD.—Of the amount appropriated under paragraph (3), not more than \$10,000,000,000 shall be paid after the date of enactment of the Thrift Depositor Protection Act of 1993 by the Secretary of the Treasury to the Corporation until the Chairperson of the Thrift Depositor Protection Oversight Board (hereafter in this subsection referred to as the 'Chairperson') has certified under paragraph (5) to the Congress that a program that meets the criteria specified in paragraph (5) has been put into place to curb waste, fraud, and abuse at the Corporation.

"(5) CERTIFICATION.—The Chairperson shall certify to the Congress that—

"(A) the Corporation has formulated and is implementing, in a manner acceptable to the Chairperson, a program to—

"(i) strengthen internal controls against waste, fraud, and abuse;

"(ii) respond to problems identified by auditors;

"(iii) prepare a comprehensive business plan for the balance of the Corporation's mission;

"(iv) expand opportunities for minorities and women by, among other things, elevating the director of minority and women's programs to a vice presidential position and voting member of the executive committee and by reviewing and restructuring the use of basic ordering agreements to ensure that minorities and women are not inadvertently excluded;

"(v) improve the professional liability section of the Corporation by, among other things, appointing a senior attorney, at the assistant general counsel level or above, responsible for the professional liability section;

"(vi) improve management information systems to provide complete and current information on a cost-effective basis;

"(vii) strengthen contractor systems and contractor oversight, including contracting for legal services, by, among other things, appointing a senior officer whose responsibilities shall include setting uniform standards for contracting and enforcement and who shall be a voting member of the executive committee;

"(viii) provide for the appointment of a chief financial officer who does not have other operating responsibilities and who will report directly to the chief executive officer of the Corporation and who will comply with the provisions of sections 9105 and 9106 of title 31, United States Code;

"(ix) improve the management of legal services by—

"(I) utilizing staff counsel when such utilization would provide the same level of quality in legal services as the use of outside counsel at a lower estimated cost; and

"(II) employing outside counsel, in accordance with section 1216 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, subsection (t) of this Act, and regulations promulgated under those provisions, under a negotiated fee, contingent fee,

or competitively bid fee agreement, if the use of outside counsel under such agreement or fee would provide the most cost-effective and appropriate resolution to the action; and

"(x) ensure that every regional office of the Corporation contains a client responsiveness unit responsible to the Corporation's ombudsman; and

"(B) the Thrift Depositor Oversight Board has provided for the appointment of an audit committee.

The certification shall be accompanied by a report that describes in detail the implementation of the program specified in the certification, including the specific measures that have been and are being undertaken to correct the problems identified.

"(6) TESTIMONY.—The Chairperson shall notify the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives 30 days prior to the expected expenditure of any funds requiring a certification under paragraph (4). The Chairperson shall, at the request of either committee, testify before such committee during the 30 days following the notification.

"(7) INABILITY TO CERTIFY.—If the Chairperson is unable to make a certification required by paragraph (4), the Chairperson shall notify the Congress and the Corporation of the reasons for the inability to provide the certification. Upon such notification, the Corporation shall—

"(A) begin to correct any deficiencies in the program described in paragraph (5), or explain why it is not possible to take such action; and

"(B) request that the Chairperson provide the certification."

SEC. 3. SAVINGS ASSOCIATION INSURANCE FUND PROVISIONS.

Section 11(a)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(6)) is amended—

(1) by striking subparagraph (E) and inserting the following:

"(E) TREASURY PAYMENTS TO FUND.—

"(i) IN GENERAL.—To provide sufficient funding for the Savings Association Insurance Fund to carry out subparagraph (F), the Secretary of the Treasury shall pay to such Fund not later than September 30, 1998, out of moneys in the Treasury not otherwise appropriated, such amounts as the Secretary of the Treasury may find necessary, not to exceed \$8,500,000,000.

"(ii) CERTIFICATION REQUIRED.—No funds shall be paid under clause (i) in any fiscal year unless the Chairperson of the Federal Deposit Insurance Corporation has first made a certification to the Congress in that year that further increases in the deposit insurance premiums paid by members of the Fund could create a substantial risk that losses due to additional failures caused by the increases would exceed the increased premium income or such increases would threaten the ability of the thrift industry to maintain or raise adequate capital and continue to provide financial services on a competitive basis."

(2) in subparagraph (F)—

(A) by striking "The Secretary" and all that follows through the colon and inserting the following: "From amounts provided in subparagraph (E), the Secretary of the Treasury shall pay to the Savings Association Insurance Fund, for each fiscal year described in the following table, such amounts as the Corporation and the Secretary of the Treasury determine are necessary to pay insurance losses at failed institutions, unless,

after deducting losses anticipated during that fiscal year, the Fund is expected to meet the minimum net worth referred to in such table in the applicable fiscal year:"

(3) by striking subparagraph (H) and inserting the following:

"(H) DISCRETIONARY RTC PAYMENTS TO THE SAIF.—

"(i) IN GENERAL.—Upon request by the Corporation and not later than 2 years after the date on which the Resolution Trust Corporation terminates pursuant to section 21A(m) of the Federal Home Loan Bank Act, the Secretary of the Treasury may pay to the Savings Association Insurance Fund to carry out subparagraph (F), or to the FSLIC Resolution Fund, any funds made available by section 21A(i) of the Federal Home Loan Bank Act to be paid to the Resolution Trust Corporation that the Secretary of the Treasury determines are not required to meet the obligations of the Resolution Trust Corporation.

"(ii) USE OF FUNDS BY SAIF.—Funds paid to the Savings Association Insurance Fund under clause (i) may only be used to resolve institutions that the Director of the Office of Thrift Supervision has identified, not later than October 1, 1993, as problem institutions;"

(4) in subparagraph (J)—

(A) by striking "and" at the end of clause (i);

(B) by striking the period at the end of clause (ii) and inserting "; and"; and

(C) by adding at the end the following new clause:

"(iii) the amount in clause (ii) shall be reduced by any funds provided in subparagraph (E)."; and

(5) by adding at the end the following:

"(K) RELEASE OF SAIF FUNDS CONTINGENT ON CERTIFICATION BY THE SECRETARY OF THE TREASURY AND THE CHAIRPERSON OF THE FEDERAL DEPOSIT INSURANCE CORPORATION.—

"(i) INITIAL CERTIFICATION.—No funds appropriated in subparagraph (E) or made available under subparagraph (H) shall be paid by the Secretary of the Treasury to the Savings Association Insurance Fund until—

"(I) the Secretary of the Treasury, in consultation with the Chairperson of the Federal Deposit Insurance Corporation has certified to the Congress that such additional funds are needed to meet obligations of such Fund to depositors, as set forth in subparagraph (F); and

"(II) the Chairperson of the Federal Deposit Insurance Corporation has certified to the Congress that—

"(aa) further increases in the deposit insurance premiums paid by members of the Fund could create a substantial risk that losses due to additional failures caused by the increases would exceed the increased premium income or such increases would threaten the ability of the thrift industry to maintain or raise adequate capital and continue to provide financial services on a competitive basis;

"(bb) such Fund is implementing a program to operate efficiently;

"(cc) such Fund is implementing a program to prevent waste, fraud, and abuse in its operations;

"(dd) the Corporation has provided for the appointment of a chief financial officer who does not have other operating responsibilities and who will report directly to the Chairperson of the Corporation, comply with the provisions of sections 9105 and 9106 of title 31, United States Code, and take appropriate steps to respond to any recommendations of the Comptroller General of the United States in the most recent audit of such Fund conducted under section 17(d), or certify that such action is not necessary or appropriate;

ed States in the most recent audit of such Fund conducted under section 17(d), or certify that such action is not necessary or appropriate;

"(ee) the Corporation has provided for the appointment of a senior officer whose responsibilities shall include setting uniform standards for contracting and contracting enforcement in connection with the administration of the Fund;

"(ff) the Corporation is implementing the minority outreach provisions mandated by section 1216 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989;

"(gg) the Corporation has provided for the appointment of a senior attorney, at the assistant general counsel level or above, responsible for professional liability cases; and

"(hh) the Corporation is taking steps to improve the management of legal services by utilizing staff counsel when such utilization would provide the same level of quality in legal services as the use of outside counsel at a lower estimated cost, and, if the use of outside counsel would provide the most cost-effective and appropriate resolution to the action, employing such counsel, in accordance with section 1216 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, and regulations promulgated under those sections, under a negotiated fee, contingent fee, or competitively bid fee agreement.

"(ii) SECOND CERTIFICATION.—No funds in excess of \$8,500,000,000 of the amount appropriated in subparagraph (E) or made available under subparagraph (H) shall be paid by the Secretary of the Treasury to the Savings Association Insurance Fund until—

"(I) the Secretary of the Treasury, in consultation with the Chairperson of the Federal Deposit Insurance Corporation has certified to the Congress that such additional funds are expected to be needed to meet obligations of such Fund to depositors, as set forth in subparagraph (F); and

"(II) the Chairperson of the Federal Deposit Insurance Corporation has certified to the Congress that—

"(aa) further increases in the deposit insurance premiums paid by members of the Fund could create a substantial risk that losses due to additional failures caused by the increases would exceed the increased premium income or such increases would threaten the ability of the thrift industry to maintain or raise adequate capital and continue to provide financial services on a competitive basis;

"(bb) such Fund is implementing a program to operate efficiently;

"(cc) such Fund is implementing a program to prevent waste, fraud, and abuse in its operations;

"(dd) the Corporation has provided for the appointment of a chief financial officer who does not have other operating responsibilities and who will report directly to the Chairperson of the Corporation, comply with the provisions of sections 9105 and 9106 of title 31, United States Code, and take appropriate steps to respond to any recommendations of the Comptroller General of the United States in the most recent audit of such Fund conducted under section 17(d), or certify that such action is not necessary or appropriate;

"(ee) the Corporation has provided for the appointment of a senior officer whose responsibilities shall include setting uniform standards for contracting and contracting enforcement in connection with the administration of the Fund;

"(ff) the Corporation is implementing the minority outreach provisions mandated by section 1216 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989;

"(gg) the Corporation has provided for the appointment of a senior attorney, at the assistant general counsel level or above, responsible for professional liability cases; and

"(hh) the Corporation is taking steps to improve the management of legal services by utilizing staff counsel when such utilization would provide the same level of quality in legal services as the use of outside counsel at a lower estimated cost, and, if the use of outside counsel would provide the most cost-effective and appropriate resolution to the action, employing such counsel, in accordance with section 1216 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, and regulations promulgated under those sections, under a negotiated fee, contingent fee, or competitively bid fee agreement.

The certifications required by this clause shall be made not later than 30 days before the date by which such additional funds are expected to be needed.

"(L) TESTIMONY.—The Secretary of the Treasury shall notify the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives 30 days prior to the expected payment of any funds requiring a certification under subparagraph (K). The Secretary of the Treasury and the Chairperson of the Corporation shall, at the request of either committee, testify before such committee during the 30 days following the notification."

"(M) INDEPENDENT REPORT BY THE GENERAL ACCOUNTING OFFICE.—No funds appropriated in subparagraph (E) or made available under subparagraph (H) shall be paid pursuant to a certification under clause (i) or (ii) of subparagraph (K) by the Secretary of the Treasury to the Savings Association Insurance Fund for 60 days after such certifications are made, unless the Secretary determines, and notifies the Congress that an emergency exists. During such 60 day period, the Comptroller General of the United States shall transmit a report to the Congress that—

"(i) states whether such certifications have been verified; and

"(ii) states whether—

"(I) further increases in the deposit insurance premiums paid by Savings Association Insurance Fund members could create a substantial risk that losses due to additional failures caused by the increases would exceed the increased premium income;

"(II) Savings Association Insurance Fund members, in the aggregate, are unable to pay additional semiannual assessments under section 7(b) during such year at the assessment rate which would be required in order to meet the repayment schedule required under section 14(c) for any amount borrowed under section 14(a) to cover losses incurred by the Fund during such year; and

"(III) an increase in the assessment rate for Savings Association Insurance Fund members to meet any such repayment schedule could reasonably be expected to result in greater losses to the Government (through an increase in the number of institutions in default)."

SEC. 4. APPEALS PROCEDURE.

Section 21A(b)(4) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)(4)) is amended by adding at the end the following new subparagraph:

"(C) APPEALS.—The Chairperson of the Thrift Depositor Protection Oversight Board shall certify to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives that the Corporation has formulated and is implementing, in a manner acceptable to the Chairperson, a program to provide an appeals process for business and commercial borrowers to appeal decisions by the Corporation (when acting as a conservator) to terminate or otherwise adversely affect credit or loan agreements, lines of credit, and similar arrangements with such borrowers who have not defaulted on their obligations."

SEC. 5. FINAL REPORT ON RTC AND SAIF FUNDING.

(a) IN GENERAL.—The Secretary of the Treasury shall prepare and transmit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives final reports relating to the use of the funds provided by this Act to the Resolution Trust Corporation and the Savings Association Insurance Fund. Each such report shall contain a detailed description of the purposes for which the funds were used.

(b) TIME FOR SUBMISSION.—The reports described in subsection (a) shall be transmitted—

(1) not later than 45 days after the final expenditure of funds under this Act by the Resolution Trust Corporation; and

(2) not later than 45 days after the final expenditure of funds under this Act by the Savings Association Insurance Fund.

SEC. 6. THRIFT DEPOSITOR PROTECTION OVERSIGHT BOARD AUDIT COMMITTEE ESTABLISHED.

Section 21A of the Federal Home Loan Bank Act (12 U.S.C. 1441a) is amended by adding at the end the following new subsection:

"(w) THRIFT DEPOSITOR PROTECTION OVERSIGHT BOARD AUDIT COMMITTEE ESTABLISHED.—

"(1) IN GENERAL.—There is hereby established the Thrift Depositor Protection Oversight Board Audit Committee (hereafter referred to in this section as the 'Committee'), the members of which shall be appointed by the Chairperson of the Thrift Depositor Protection Oversight Board.

"(2) FEDERAL ADVISORY COMMITTEE ACT NOT APPLICABLE.—The Committee shall not be deemed an 'advisory committee' within the meaning of section 3(2) of the Federal Advisory Committee Act (5 U.S.C. App.)."

SEC. 7. INDIVIDUAL SALES OF REAL PROPERTY BY THE RESOLUTION TRUST CORPORATION.

Section 21A of the Federal Home Loan Bank Act (12 U.S.C. 1441a) is amended by adding at the end the following new subsection:

"(x) INDIVIDUAL SALES OF REAL PROPERTY.—

"(1) IN GENERAL.—For 90 days after acquiring title to any real property, whether held directly or indirectly by an institution described in subsection (b)(3)(A) for which the Corporation is acting as receiver, the Corporation may sell any such property only on an individual basis.

"(2) EXCEPTION FOR CERTAIN RESOLUTIONS.—Notwithstanding paragraph (1), the Corporation shall not be required to set aside real property for a 90-day period for individual sales if such property is sold simultaneously with a resolution in which a buyer purchases

assets and assumes liabilities (or acts as agent of the Corporation for purposes of paying insured deposits) of an institution described in subsection (b)(3)(A) or in which assets are transferred to a new institution organized pursuant to the provisions of section 11(d)(2)(F) of the Federal Deposit Insurance Corporation Act (12 U.S.C. 1821(d)(2)(F))."

SEC. 8. INDIVIDUAL SALES OF REAL PROPERTY BY THE FEDERAL DEPOSIT INSURANCE CORPORATION.

Section 11(d) of the Federal Deposit Insurance Corporation Act (12 U.S.C. 1821(d)) is amended by adding at the end the following new paragraph:

"(20) INDIVIDUAL SALES OF REAL PROPERTY.—

"(A) IN GENERAL.—For 90 days after acquiring title to any real property, whether held directly or indirectly by an institution for which the Corporation has been appointed receiver pursuant to subsection (c), the Corporation may sell any such property only on an individual basis.

"(B) EXCEPTION FOR CERTAIN RESOLUTIONS AND BRIDGE BANK PURCHASES.—Notwithstanding subparagraph (A), the Corporation shall not be required to set aside real property for a 90-day period for individual sales if such property is sold simultaneously with a resolution in which a buyer purchases assets and assumes liabilities (or acts as agent of the Corporation for purposes of paying insured deposits) of an institution for which the Corporation has been appointed receiver pursuant to subsection (c) or in which assets are transferred to—

"(i) a bridge bank organized in accordance with the provisions of subsection (n);

"(ii) a new national bank organized in accordance with the provisions of subsection (m); or

"(iii) a new institution organized pursuant to the provisions of paragraph (2)(F) of this subsection."

SEC. 9. LIMITATION ON CASH BONUSES.

Section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act (12 U.S.C. 1833b) is amended—

(1) by inserting "(a) IN GENERAL.—" before "The Federal Deposit Insurance Corporation"; and

(2) by adding at the end the following subsection:

"(b) LIMITATIONS ON CASH BONUSES BY THE FEDERAL DEPOSIT INSURANCE CORPORATION.—Notwithstanding the provisions of subsection (a)—

"(1) no executive-level employee of the Federal Deposit Insurance Corporation who is on assignment to the Resolution Trust Corporation or whose work is allocable to the Savings Association Insurance Fund shall receive a cash bonus in excess of that which may be awarded to a Senior Executive Service employee pursuant to chapter 53 of title 5, United States Code; and

"(2) no employee of the Federal Deposit Insurance Corporation on assignment to the Resolution Trust Corporation or whose work is allocable to the Savings Association Insurance Fund shall receive any cash bonus if such employee has given notice of an intent to resign to take a position in the private sector before the payment of such cash bonus or accepts employment in the private sector not later than 60 days after receipt of such bonus."

SEC. 10. WHISTLE BLOWER PROTECTION.

(a) AMENDMENTS TO THE FEDERAL HOME LOAN BANK ACT.—Section 21A(q) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(q)) is amended—

(1) in paragraph (1), by striking "regarding" and all that follows through the end of the sentence and inserting the following:

"(A) a possible violation of any law or regulation; or

"(B) gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety;

by the Corporation, the Oversight Board, or such person or any director, officer, or employee of the Corporation, the Oversight Board, or the person."; and

(2) by inserting after paragraph (4) the following:

"(5) **BURDENS OF PROOF.**—The legal burdens of proof that prevail under subchapter III of chapter 12 of title 5, United States Code, shall govern adjudication of protected activities under this subsection."

(b) **AMENDMENTS TO THE FEDERAL DEPOSIT INSURANCE ACT.**—Section 33 of the Federal Deposit Insurance Act (12 U.S.C. 1831j) is amended—

(1) in subsection (a)(1), by striking "regarding" and all that follows through the end of the sentence and inserting the following:

"regarding—

"(A) a possible violation of any law or regulation; or

"(B) gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety;

by the depository institution or any director, officer, or employee of the institution."; and

(2) by adding at the end the following:

"(f) **BURDENS OF PROOF.**—The legal burdens of proof that prevail under subchapter III of chapter 12 of title 5, United States Code, shall govern adjudication of protected activities under this section."

SEC. 11. DEPUTY CHIEF EXECUTIVE OFFICER.

Section 21A(b)(8) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)(8)) is amended by adding at the end the following new subparagraphs:

"(E) **DEPUTY CHIEF EXECUTIVE OFFICER.**—There is established the office of deputy chief executive officer of the Corporation. The Chairperson of the Thrift Depositor Protection Oversight Board, with the recommendation of the chief executive officer, may appoint the deputy chief executive officer, who shall be an employee of the Federal Deposit Insurance Corporation in accordance with subparagraph (B)(i) of this paragraph. The deputy chief executive officer shall perform such duties as the chief executive officer may require.

"(F) **ACTING CHIEF EXECUTIVE OFFICER.**—

"(i) **IN GENERAL.**—Subject to subparagraph (C), the chief executive officer may designate the deputy chief executive officer to act as chief executive officer if the chief executive officer dies, resigns, or is sick or absent; or if the chief executive officer fails to make such a designation or is unable to make such a designation due to death or disability, the Chairperson of the Thrift Depositor Protection Oversight Board may designate the deputy chief executive officer to act as chief executive officer if the chief executive officer dies, resigns, or is sick or absent.

"(ii) **POWERS.**—An acting chief executive officer designated under clause (i) shall possess the power to perform the duties vested in the chief executive officer pursuant to subparagraph (D)."

SEC. 12. GENERAL COUNSEL OF THE RESOLUTION TRUST CORPORATION.

Section 21A(b)(8) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)(8)), as amended by section 11 of this Act, is amended by adding at the end the following new subparagraph:

"(G) **GENERAL COUNSEL.**—There is established the office of general counsel of the Corporation. The chief executive officer, with the concurrence of the Chairperson of the Thrift Depositor Protection Oversight Board, may appoint the general counsel, who shall be an employee of the Federal Deposit Insurance Corporation in accordance with subparagraph (B)(i). The general counsel shall perform such duties as the chief executive officer may require."

SEC. 13. INSPECTOR GENERAL OF FEDERAL DEPOSIT INSURANCE CORPORATION.

(a) **AMENDMENTS TO THE INSPECTOR GENERAL ACT OF 1978.**—The Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in section 11—

(A) in paragraph (1), by striking "the chief executive officer of the Resolution Trust Corporation;" and inserting "the chief executive officer of the Resolution Trust Corporation; and the Chairperson of the Federal Deposit Insurance Corporation;"; and

(B) in paragraph (2), by inserting "the Federal Deposit Insurance Corporation;" after "Resolution Trust Corporation;";

(2) by inserting after section 8B the following new section:

"SEC. 8C. SPECIAL PROVISIONS CONCERNING THE FEDERAL DEPOSIT INSURANCE CORPORATION.

"(a) **DELEGATION.**—The Chairperson of the Federal Deposit Insurance Corporation may delegate the authority specified in the second sentence of section 3(a) to the Vice Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation, but may not delegate such authority to any other officer or employee of the Corporation.

"(b) **PERSONNEL.**—Notwithstanding paragraphs (7) and (8) of section 6(a), the Inspector General of the Federal Deposit Insurance Corporation may select, appoint, and employ such officers and employees as may be necessary for carrying out the functions, powers, and duties of the Office of Inspector General and to obtain the temporary or intermittent services of experts or consultants or an organization of experts or consultants, subject to the applicable laws and regulations that govern such selections, appointments, and employment, and the obtaining of such services, within the Federal Deposit Insurance Corporation."

(3) by redesignating sections 8C through 8F as sections 8D through 8G, respectively; and

(4) in section 8F(a)(2), as redesignated, by striking "the Federal Deposit Insurance Corporation;"

(b) **POSITION AT LEVEL IV OF THE EXECUTIVE SCHEDULE.**—Section 5315 of title 5, United States Code, is amended by inserting after "Inspector General, Small Business Administration," the following:

"Inspector General, Federal Deposit Insurance Corporation."

(c) **TRANSITION PERIOD.**—The individual serving as the Inspector General of the Federal Deposit Insurance Corporation before the effective date of this section may continue to serve in such position until and unless the President appoints a successor under section 3(a) of the Inspector General Act of 1978, except as otherwise provided by law. For the purposes of the preceding sentence, the term "successor" may include the individual holding the position of Inspector Gen-

eral of the Federal Deposit Insurance Corporation on or after the date of enactment of this section.

SEC. 14. AUTHORITY TO EXECUTE CONTRACTS.

Section 21A of the Federal Home Loan Bank Act (12 U.S.C. 1441a) is amended by adding at the end the following new subsection:

"(y) **AUTHORITY TO EXECUTE CONTRACTS.**—

"(1) **AUTHORIZED PERSONS.**—A person may execute a contract on behalf of the Corporation for the provision of goods or services only if—

"(A) that person—

"(i) is a warranted contracting officer appointed by the Corporation, or is a managing agent of a savings association under the conservatorship of the Corporation; and

"(ii) provides appropriate certification or other identification, as required by the Corporation in accordance with paragraph (2);

"(B) the notice described in paragraph (4) is included in the written contract; and

"(C) that person has appropriate authority to execute the contract on behalf of the Corporation in accordance with the notice published by the Corporation in accordance with paragraph (5).

"(2) **PRESENTATION OF IDENTIFICATION.**—Prior to executing any contract described in paragraph (1) with any person, a warranted contracting officer or managing agent shall present to that person—

"(A) a valid certificate of appointment (or such other identification as may be required by the Corporation) and signed by the appropriate officer of the Corporation; or

"(B) a copy of such certificate, authenticated by the Corporation.

"(3) **TREATMENT OF UNAUTHORIZED CONTRACTS.**—A contract described in paragraph (1) that fails to meet the requirements of this section—

"(A) shall be null and void; and

"(B) shall not be enforced against the Corporation or its agents by any court.

"(4) **INCLUSION OF NOTICE IN CONTRACT TERMS.**—Each written contract described in paragraph (1) shall contain a clear and conspicuous statement (in boldface type) in immediate proximity to the space reserved for the signatures of the contracting parties as follows:

"Only warranted contracting officers appointed by the Resolution Trust Corporation or managing agents of associations under the conservatorship of the Resolution Trust Corporation have the authority to execute contracts on behalf of the Resolution Trust Corporation. Such persons have certain limits on their contracting authority. The nature and extent of their contracting authority levels are published in the Federal Register.

"A warranted contracting officer or a managing agent must present identification in the form of a signed certificate of appointment (or an authenticated copy of such certificate) or other identification, as required by the Corporation, prior to executing any contract on behalf of the Resolution Trust Corporation.

"ANY CONTRACT THAT IS NOT EXECUTED BY A WARRANTED CONTRACTING OFFICER OR THE MANAGING AGENT OF A SAVINGS ASSOCIATION UNDER THE CONSERVATORSHIP OF THE RESOLUTION TRUST CORPORATION, ACTING IN CONFORMITY WITH HIS OR HER CONTRACTING AUTHORITY, SHALL BE NULL AND VOID, AND WILL NOT BE ENFORCEABLE BY ANY COURT."

"(5) **NOTICE OF REQUIREMENTS.**—Not later than 30 days after the date of enactment of this Act, the Corporation shall publish notice in the Federal Register of—

"(A) the requirements for appointment by the Corporation as a warranted contracting officer; and

"(B) the nature and extent of the contracting authority to be exercised by any warranted contracting officer or managing agent.

"(6) EXCEPTION.—This section does not apply to—

"(A) any contract between the Corporation and any other person governing the purchase or assumption by that person of—

"(i) the ownership of a savings association under the conservatorship of the Corporation; or

"(ii) the assets or liabilities of a savings association under the conservatorship or receivership of the Corporation; or

"(B) any contract executed by the Inspector General of the Corporation (or any designee thereof) for the provision of goods or services to the Office of the Inspector General of the Corporation.

"(7) EXECUTION OF CONTRACTS.—For purposes of this subsection, the execution of a contract includes all modifications to such contract.

"(8) EFFECTIVE DATE.—The requirements of this subsection shall apply to all contracts described in paragraph (1) executed on or after the date which is 45 days after the date of enactment of this subsection."

SEC. 15. TERMINATION DATE OF THE CORPORATION.

Section 21A(m)(1) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(m)(1)) is amended by striking "December 31, 1996" and inserting "December 31, 1995".

SEC. 16. ASSISTANT GENERAL COUNSEL FOR PROFESSIONAL LIABILITY.

Section 21A of the Federal Home Loan Bank Act (12 U.S.C. 1441a) is amended by adding at the end the following new subsection:

"(2) ASSISTANT GENERAL COUNSEL FOR PROFESSIONAL LIABILITY.—

"(1) APPOINTMENT.—The Corporation shall appoint, within the Division of Legal Services of the Corporation, an Assistant General Counsel for Professional Liability who shall report to the Associate General Counsel for Litigation and the chief executive officer of the Corporation.

"(2) DUTIES.—The Assistant General Counsel for Professional Liability appointed under paragraph (1) shall—

"(A) direct the investigation, evaluation, and prosecution of all professional liability cases involving the Corporation; and

"(B) supervise all legal, investigative, and other personnel and contractors involved in the litigation of such claims.

"(3) REPORTS TO THE CONGRESS.—The Assistant General Counsel for Professional Liability shall submit semiannual reports to the Congress not later than April 30 and October 31 of each year concerning the activities of the Assistant General Counsel."

SEC. 17. DEFINITION OF PROPERTY.

(a) Section 9102(e) of the Department of Defense Appropriations Act, 1990 (16 U.S.C. 396f note) is amended by striking "real, personal," and inserting "real, personal (including intangible assets sold or offered by the Federal Deposit Insurance Corporation or the Resolution Trust Corporation, such as financial instruments, notes, loans, and bonds)."

(b) Section 12(b)(7)(vii) of Public Law 94-204 (43 U.S.C. 1611 note) is amended by striking "real, personal," and inserting "real, personal (including intangible assets sold or offered by the Federal Deposit Insurance Corporation or the Resolution Trust Corpora-

tion, such as financial instruments, notes, loans, and bonds)."

SEC. 18. CIVIL STATUTE OF LIMITATIONS FOR TORT ACTIONS BROUGHT BY THE RTC.

(a) RESOLUTION TRUST CORPORATION.—Section 11(d)(14) of the Federal Deposit Insurance Act (12 U.S.C. 1821(d)(14)) is amended—

(1) in subparagraph (A)(ii), by inserting "except as provided in subparagraph (B)," before "in the case of";

(2) by redesignating subparagraph (B) as subparagraph (C);

(3) by inserting after subparagraph (A) the following new subparagraph:

"(B) TORT ACTIONS BROUGHT BY THE RESOLUTION TRUST CORPORATION.—The applicable statute of limitations with regard to any action in tort brought by the Resolution Trust Corporation in its capacity as conservator or receiver of a failed savings association shall be the longer of—

"(i) the 5-year period beginning on the date the claim accrues; or

"(ii) the period applicable under State law;" and

(4) in subparagraph (C), as redesignated—

(A) by striking "subparagraph (A)" and inserting "subparagraphs (A) and (B)"; and

(B) by striking "such subparagraph" and inserting "such subparagraphs".

(b) EFFECTIVE DATE; TERMINATION; FDIC AS SUCCESSOR.—

(1) EFFECTIVE DATE.—The amendments made by subsection (a) shall be construed to have the same effective date as section 212 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

(2) TERMINATION.—The amendments made by subsection (a) shall remain in effect only until the termination of the Resolution Trust Corporation.

(3) FDIC AS SUCCESSOR TO THE RTC.—The Federal Deposit Insurance Corporation, as successor to the Resolution Trust Corporation, shall have the right to pursue any tort action that was properly brought by the Resolution Trust Corporation prior to the termination of the Resolution Trust Corporation.

SEC. 19. COST EFFECTIVENESS OF FEDERAL PROPERTY MANAGEMENT.

(a) FINDINGS.—The Congress finds that—

(1) the Federal Government owns over 400,000 buildings that cost the taxpayers hundreds of billions of dollars;

(2) the Federal Government is the largest single tenant and builder of office space in the United States;

(3) the Federal Government currently has \$11,400,000,000 of construction in the works which, when completed, will add approximately 23,000,000 square feet of office space;

(4) the Federal Government is constructing, or entering into long-term leases for buildings constructed expressly for the Federal Government, in areas with building vacancy rates as high as 30 percent;

(5) significant budget savings can be achieved if, before considering new construction, Federal agencies aggressively explore the possibilities of purchasing or leasing suitable office buildings available in the market or acquiring suitable real estate under the control of the Federal Deposit Insurance Corporation or Resolution Trust Corporation;

(6) the physical space requirements of Federal agencies and the Judiciary are too often overstated and inflexible and, therefore, do not permit the acquisition or lease of existing properties which may be suitable and cost-effective;

(7) current scorekeeping rules may be discouraging agencies from entering into the

most responsible arrangements for securing office space (for example, in some cases, a lease/purchase agreement may be most cost-effective but current scorekeeping rules require that the budget authority and outlays for the entire obligation, paid over a period of years, be scored in the year the contract is signed); and

(8) the Federal Buildings Fund, established in 1972 as a revolving fund to cover the General Services Administration's cost of rent, repairs, renovations, and to pay for the construction of new Federal buildings, and funded by the rent agencies pay to the General Services Administration, has failed to be self-sustaining and has required billions in appropriations to finance new construction.

(b) COMPREHENSIVE REVIEW OF FEDERAL PROPERTY MANAGEMENT.—

(1) IN GENERAL.—The Director of the Office of Management and Budget shall conduct a comprehensive review of Federal property management policies and procedures and make recommendations to promote better coordination between Government agencies, maximize efficiency, and encourage flexibility to make decisions which are in the best interest of the Federal Government.

(2) INCLUDED IN REVIEW.—The review required by this subsection shall include—

(A) recommendations requiring the General Services Administration, the Department of Defense, the Postal Service and all other Federal agencies and the Judiciary, when appropriate, to develop or modify existing building requirements in such a way as to allow for—

(i) the purchase, lease, lease/purchase of existing buildings at market rates; and

(ii) the purchase of Resolution Trust Corporation-owned and Federal Deposit Insurance Corporation-owned real estate rather than new construction of buildings;

(B) in conjunction with the Director of the Congressional Budget Office, developing recommendations to revise scorekeeping rules for Federal property leasing, lease/purchase, construction, and acquisition to encourage flexibility and decisions which are in the best interest of the Federal Government; and

(C) recommendations on whether the Federal Buildings Fund should be maintained, alternatives for meeting the Fund's objectives, and changes to the Fund that will enable it to meet its objectives and become self-sustaining.

(c) REPORT.—Not later than two months after the date of enactment of this Act, the Director of the Office of Management and Budget shall report the recommendations developed pursuant to this section to—

(1) the Senate Committees on Governmental Affairs, Budget, Appropriations, and Environment and Public Works; and

(2) the House of Representatives Committees on Government Operations, Appropriations, and Public Works and Transportation.

SEC. 20. SENSE OF THE SENATE RELATING TO PARTICIPATION OF DISABLED AMERICANS IN CONTRACTING FOR DELIVERY OF SERVICES TO FINANCIAL INSTITUTION REGULATORY AGENCIES.

(a) FINDINGS.—the Senate finds the following—

(1) Congress, in adopting the Americans with Disabilities Act of 1990, section 12101, of title 42, United States Code, (the ADA) specifically found that—

(A) some 43,000,000 Americans have one or more physical or mental disabilities, and this number is increasing;

(B) discrimination against individuals with disabilities persists in such critical areas as

employment, housing, public accommodations, education, transportation, communication, recreation, institutionalization, health services, voting, and access to public services;

(C) individuals with disabilities continually encounter various forms of discrimination, including outright intentional exclusion, the discriminatory effects of architectural, transportation, and communication barriers, overprotective rules and policies, failure to make modifications to existing facilities and practices, exclusionary qualification standards and criteria, segregation, and relegation to lesser services, programs, activities, benefits, jobs, or other opportunities;

(D) census data, national polls, and other studies have documented that people with disabilities, as a group, occupy an inferior status in our society, and are severely disadvantaged socially, vocationally, economically, and educationally;

(E) individuals with disabilities are a discrete and insular minority who have been faced with restrictions and limitations, subjected to a history of purposeful unequal treatment, and relegated to a position of political powerlessness in our society, based on characteristics that are beyond the control of such individuals and resulting from stereotypic assumptions not truly indicative of the individual ability of such individuals to participate in, and contribute to, society;

(F) the Nation's proper goals regarding individuals with disabilities are to assure equality of opportunity, full participation, independent living, and economic self-sufficiency for such individuals; and

(G) the continuing existence of unfair and unnecessary discrimination and prejudice denies people with disabilities the opportunity to compete on an equal basis and to pursue those opportunities for which our free society is justifiably famous, and costs the United States billions of dollars in unnecessary expenses resulting from dependency and non-productivity.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the chief executive officer of the Resolution Trust Corporation, the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Federal Housing Finance Board shall take all necessary steps within each such agency to ensure that individuals with disabilities and entities owned by individuals with disabilities, including financial institutions, investment banking firms, underwriters, asset managers, accountants, and providers of legal services, are availed of all opportunities to compete in a manner which, at a minimum, does not discriminate on the basis of their disability for contracts entered into by the agency to manage the institutions and their assets for which the agency is responsible or to perform such other functions authorized under any law applicable to such agency.

SEC. 21. RTC CONTRACTING.

(a) No person shall execute, on behalf of the Corporation, any contract, or modification to a contract, for goods or services exceeding \$100,000 in value unless the person executing the contract or modification states in writing that—

(1) the contract or modification is for a fixed price, the person has received a written cost estimate for the contract or modification, or a cost estimate cannot be obtained as a practical matter with an explanation of why such a cost estimate cannot be obtained as a practical matter;

(2) the person has received the written statement described in paragraph (b);

(3) the person is satisfied that the contract or modification to be executed has been approved by a person legally authorized to do so pursuant to a written delegation of authority.

(b) A person who authorizes a contract, or a modification to a contract, for goods or services exceeding \$100,000, shall state, in writing, that he or she has been delegated the authority, pursuant to a written delegation of authority, to authorize that contract or modification.

(c) The failure of any person executing a contract, or a modification of a contract, on behalf of the Corporation, or authorizing such a contract or modification of a contract, to comply with the requirements of this section shall not void, or be grounds to void or rescind, any otherwise properly executed contract.

SEC. 22. REPORT TO CONGRESS BY SPECIAL COUNSEL.

(a) REPORT.—Not later than 90 days after the date of enactment of this Act, the Special Counsel appointed under section 2537 of the Crime Control Act of 1990 (28 U.S.C. 509 note) shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives a report on the status of its efforts to monitor and improve the collection of fines and restitution in cases involving fraud and other criminal activity in and against the financial services industry.

(b) CONTENTS.—The report required under subsection (a) shall include—

(1) information on the amount of fines and restitution assessed in cases involving fraud and other criminal activity in and against the financial services industry, the amount of such fines and restitution collected, and an explanation of any difference in those amounts;

(2) an explanation of the procedures for collecting and monitoring restitution assessed in cases involving fraud and other criminal activity in and against the financial services industry and any suggested improvements to such procedures;

(3) an explanation of the availability under any provision of law of punitive measures if restitution and fines assessed in such cases are not paid;

(4) information concerning the efforts by the Department of Justice to comply with guidelines for fine and restitution collection and reporting procedures developed by the interagency group established by the Attorney General in accordance with section 2539 of the Crime Control Act of 1990;

(5) any recommendations for additional resources or legislation necessary to improve collection efforts; and

(6) information concerning the status of the National Fine Center of the Administrative Office of the United States Courts.

SEC. 23. REPORTING REQUIREMENTS.

The Resolution Trust Corporation shall provide semi-annual reports to the Senate Committee on Banking, Housing, and Urban Affairs and the House Committee on Banking, Finance and Urban Affairs. Such reports shall—

(1) detail procedures for expediting the registration and contracting for selecting auctioneers for asset sales with anticipated gross proceeds of \$1,500,000 or less;

(2) list by name and geographic area the number of auction contractors which have been registered and qualified to perform services for the Resolution Trust Corporation; and

(3) list by name, address of home office, location of assets disposed, and gross proceeds realized, the number of auction contractors which have been awarded contracts.

MOTION OFFERED BY MR. GONZALEZ

Mr. GONZALEZ. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. GONZALEZ moves to strike all after the enacting clause of the Senate bill and to insert in lieu thereof the provisions of H.R. 1340, as passed, as follows:

[The engrossed provisions of H.R. 1340, as modified, as amended, will be printed in a subsequent issue of the RECORD.]

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read:

A bill to provide for the remaining funds needed to assure that the United States fulfills its obligation for the protection of depositors at savings and loan institutions, to improve the management of the Resolution Trust Corporation ("RTC") in order to assure the taxpayers the fairest and most efficient disposition of savings and loan assets, to provide for a comprehensive transition plan to assure an orderly transfer of RTC resources to the Federal Deposit Insurance Corporation, to abolish the RTC, and for other purposes.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES

Mr. GONZALEZ. Mr. Speaker, I move that the House insist on its amendments to S. 714 and request a conference with the Senate thereon.

The motion was agreed to.

The SPEAKER pro tempore (Mr. OBEY). Without objection, the Chair appoints the following conferees:

From the Committee on Banking, Finance and Urban Affairs, for consideration of the Senate bill, and the House amendment, and modifications committed to conference: Messrs. GONZALEZ, NEAL of North Carolina, LAFALCE, VENTO, SCHUMER, FRANK of Massachusetts, KANJORSKI, KENNEDY, FLAKE, LEACH, and MCCOLLUM; Mrs. ROUKEMA, and Messrs. BEREUTER, ROTH, and BAKER of Louisiana.

As additional conferees from the Committee on Government Operations, for consideration of section 13 of the Senate bill, and section 23 of the House amendment, and modifications committed to conference: Mr. CONYERS, Mrs. COLLINS of Illinois, and Messrs. ENGLISH of Oklahoma, CLINGER, and MCCANDLESS.

As additional conferees from the Committee on the Judiciary, for consideration of sections 18 and 22 of the Senate bill, and sections 4 and 19 of the House amendment, and modifications committed to conference: Messrs. BROOKS, HUGHES, BOUCHER, FISH, and GOODLATTE.

There was no objection.

GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the pending business is the question of the Speaker's approval of the Journal.

The Journal was approved.

GAO REPORT ON TECHNOLOGY REINVESTMENT PROJECT

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous matter.)

Mrs. SCHROEDER. Mr. Speaker, during last Thursday's debate on increasing funding by \$300 million for the President's technology reinvestment project designed to facilitate defense conversion, we heard assurances from Mr. WALKER of Pennsylvania that these funds would be wasted if spent in support of the Advanced Technology Program [ATP] being conducted by the Department of Commerce.

We heard allegations that the GAO reported that ATP grantees had indirect costs over 100 percent and that 4 had rates over 200 percent going as high as 250 percent. Only Mr. WALKER had custody of the GAO report.

Mr. WALKER referred to the GAO report stating that in reference to additional ATP funding through the TRP, " * * * GAO is now ready to certify that the money is being poorly used and we are not getting new technology."

Mr. Speaker, GAO is ready to certify no such thing. The report Mr. WALKER referred to is a letter to him describing the Advanced Technology Program's indirect cost rates and program evaluation status. Let me tell you what the GAO actually said.

First, the ATP Program is designed to assist U.S. businesses to rapidly commercialize significant new scientific discoveries and technologies, and refine manufacturing technologies to help American firms become and remain commercially competitive.

What Mr. WALKER did not tell us was that 140 small, medium, and large firms are participating in projects carried out by ATP grants. The 100 to 250 percent indirect costs attribute to 20 of the 140 firms Mr. WALKER mentioned were overhead rates approved on a case-by-case basis by procedures established by the Office of the Inspector General of the Department of Com-

merce. His letter from GAO did not challenge either the basis or methodology utilized in approving such rates. In fact, GAO made no recommendations with respect to the ATP Program in Mr. WALKER's letter.

What Mr. WALKER did not tell us was that only four ATP projects have been completed as of this date and every single one has been judged a technical success by ATP officials.

GAO told Mr. WALKER that ATP officials were establishing measures of success to judge the completion of future projects. The GAO had not issued a broadside slamming the ATP projects and condemning the program.

Let's let people read it for themselves. How to do this technology transfer is so important. We need all the help we can get so it is done efficiently and correctly.

At this point, I am asking unanimous consent that the GAO correspondence to Mr. WALKER dated September 3, 1993, be reprinted in the RECORD.

REPORT TO THE RANKING MINORITY MEMBER, COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY, HOUSE OF REPRESENTATIVES

U.S. GENERAL ACCOUNTING OFFICE,
RESOURCES, COMMUNITY, AND ECONOMIC DEVELOPMENT DIVISION,

Washington, DC, September 10, 1993.

Hon. ROBERT S. WALKER,
Ranking Minority Member, Committee on Science, Space, and Technology

DEAR MR. WALKER: You requested that we assess the implementation of the Advanced Technology Program (ATP) by the National Institute of Standards and Technology (NIST) within the Department of Commerce. ATP was established by the Omnibus Trade and Competitiveness Act of 1988 (P.L. 100-418) and modified by the American Technology Preeminence Act of 1991 (P.L. 102-245). Its purpose is to assist U.S. businesses in creating and applying the generic technology and research results necessary to (1) rapidly commercialize significant new scientific discoveries and technologies and (2) refine manufacturing technologies. The acts require that ATP focus on improving the competitive position of the United States and its businesses, give preference to discoveries and technologies that have great economic potential, and avoid providing undue advantages to specific companies. Since April 1991, NIST has awarded funding to 60 projects proposed by individual companies or joint ventures. The administration has proposed that funding for ATP be increased from \$68 million in fiscal year 1993 to \$200 million in fiscal year 1994—that is, by 194 percent—and to \$744 million in fiscal year 1997.

In June 1993, we briefed your office on the preliminary results of our review. As agreed with your office, this report contains information on (1) ATP awardees' indirect cost rates, (2) completed ATP projects, and (3) NIST's plans to evaluate ATP's effectiveness. We will continue to assess other aspects of NIST's implementation of ATP and will report our results at a later date.

BACKGROUND

Under the Omnibus Trade and Competitiveness Act, NIST may reimburse ATP awardees' indirect costs only if the awardees are participating in joint ventures. To comply with the act, NIST considers a joint-ven-

ture participant's total ATP project costs—both direct and indirect costs—for matching purposes, according to NIST's ATP Director. Indirect costs include such components as (1) general and administrative expenses and (2) expenses for operating and maintaining facilities. Because indirect costs cannot be accounted for directly, a rate is set as a percentage of the direct costs. Separate rates may be established for individual components of indirect costs. Direct costs are expenses directly associated with a project, including researchers' salaries and research equipment. In addition, given the broad nature of indirect costs and the different structures and practices of various businesses, classification of direct and indirect costs is not uniform and may vary widely among businesses.

Department of Commerce policy limits the indirect cost rates recipients of funding may use to less than 100 percent of the total direct costs. However, ATP received a waiver from this limit in February 1992; the indirect cost rates of a participant in a joint venture receiving funding from ATP may exceed 100 percent of the direct costs in NIST and Commerce's Office of Inspector General (OIG) determine that the rates are adequately documented and essential to meeting ATP's objectives. Commerce's OIG reviews a joint-venture participant's indirect cost rates if (1) one or more components exceed 100 percent of the component's direct cost base or (2) the participant has not had an indirect cost rate audited and approved by another federal agency.

RESULTS IN BRIEF

NIST and Commerce's OIG have approved the indirect cost rates of 20 of the 98 businesses participating in joint ventures under ATP. These rates ranged from under 5 percent to over 250 percent. Commerce's OIG has established procedures that are intended to ensure that awardees properly manage ATP funds.

ATP began making awards 2½ years ago; to date, four projects have reached their originally estimated completion dates. ATP project officers considered all four projects technical successes. However, participants in two of the projects have experienced problems that could affect the potential commercial success of the ATP-funded technologies. The lead company for one project declared bankruptcy at the end of the ATP award period for reasons unrelated to the ATP project. For the other project, the ATP project manager noted that the overall economic climate of the relevant industry is not currently receptive to new technologies. ATP officials stated that the project's participants are pursuing other avenues for using the ATP-funded technologies.

NIST's ATP staff have initiated a program evaluation of ATP with a short-term focus on improving the program's efficiency and effectiveness and a long-term focus on measuring the program's impacts. NIST has funded two preliminary studies that examined cost savings and indicators of success. However, the small number of completed projects and other factors impede a program evaluation of ATP at this time. Commerce's OIG officials also expressed interest in conducting a program evaluation of ATP at an appropriate future date.

INDIRECT COST RATES OF ATP PARTICIPANTS

Since April 1991, NIST has awarded ATP funding through cooperative agreements to 98 companies participating in 18 joint ventures and 42 companies as individual awardees.¹ (See table 1.) These awardees include 65

Footnotes at end of article.

small businesses, 28 large businesses, and 47 Fortune 500 companies.

TABLE 1.—BUSINESSES AWARDED ATP FUNDING BY TYPE OF AWARD AND COMPANY SIZE

Award	Small businesses ¹	Large businesses ²	Fortune 500 businesses	Total
Joint venture	36	24	38	98
Individual	29	4	9	42
Total	65	28	47	140

¹ The Small Business Administration generally defines a small business as having fewer than 500 employees.

² This figure includes 12 business consortia. Eighteen university-affiliated organizations and one federal laboratory are participating in some of the joint-venture projects.

Note.—Some businesses are listed more than once because they are participating in more than one ATP project.

Of the 98 joint ventures, 20 companies have had their indirect cost rates reviewed and approved by Commerce's OIG. NIST officials initiate the approval of indirect cost rates by requesting that the OIG review a particular company's rate. Usually, the company has already had a rate approved by the Defense Contract Audit Agency (DCAA) for Department of Defense contracts.² Commerce's OIG generally accepts this indirect cost rate if DCAA's audit report adequately documents the rate and ATP officials consider the rate essential to meeting the program's objectives. If the company does not already have a federally approved indirect cost rate and Commerce is the primary federal funding agency, Commerce's OIG negotiates one on the basis of documentation that the company provides.

Most joint-venture participants have several different approved rates that are applied to different bases, or portions, of their budget. These rates ranged from under 5 percent to over 250 percent. Sixteen of the 20 companies had one or more indirect cost components for which the approved rate was over 100 percent; 4 of these 16 companies had at least one indirect cost component for which the approved rate was over 200 percent.³ In addition, the OIG negotiated a rate of less than 100 percent for one company and reviewed two companies' indirect costs because they were expressed in dollars rather than as a percentage of direct costs. Commerce's OIG is currently reviewing indirect cost rates for eight joint-venture participants.

Before ATP provides funding, NIST requires each joint-venture participant that is receiving federal funds for the first time to submit an independent certified public accountant's (CPA) report on the adequacy of the participant's accounting and internal control systems. NIST also requires that each recipient arrange for an audit of its financial accounts at least every 2 years to ensure proper management of ATP funds. At present, Commerce's OIG is working with NIST officials and CPA firms to develop auditing procedures for all projects. The OIG reserves the right to perform direct audits to resolve any issues that might result from the CPAs' audits or that might otherwise be deemed necessary.

FOUR ATP PROJECTS HAVE BEEN COMPLETED

ATP began funding ATP projects in April 1991 by making awards to 11 projects in response to its first solicitation. ATP has selected 49 additional projects in response to its second and third solicitations. Only 4 of the first 11 ATP projects were scheduled for completion by August 20, 1993. Technical work for all four projects has been completed. However, each of the four projects was granted an extension to complete work at no additional cost to ATP. Two of the

projects have submitted their final reports to NIST.

ATP project officers considered all four projects technical successes. However, participants in two of the projects have experienced problems that could affect the potential commercial success of the ATP-funded technologies. One of the two joint-venture participants for one project declared bankruptcy at the end of the project for reasons unrelated to the project. The other participant in that joint venture plans to continue to try to commercialize the technology.

According to the ATP project officer for the second project, the overall economic climate of the relevant industry is not currently receptive to new technologies. ATP officials stated that the project's participants are pursuing other avenues for using the ATP-funded technologies.

Table 2 lists ATP projects nearing completion. Completion dates of ATP projects are approximate because of the uncertainties inherent in research, which may affect projects' timetables.

Table 2.—ATP Projects Nearing Completion Dates

Number of projects	Projected completion date
1	July–December 1993
11	January–June 1994
24	January–June 1995

EVALUATION OF THE ATP PROGRAM HAS BEEN INITIATED

According to ATP officials, program evaluation is critical to the development of a results-oriented, efficiently run program. Early in the program, ATP staff developed an evaluation plan and measurable goals to track performance. The plan includes four principal elements: (1) assessing the program's effectiveness and efficiency; (2) profiling applicants, recipients, technologies, and projects; (3) tracking interim indicators of success; and (4) measuring long-term economic impacts.

ATP staff established 12 indicators of short- to medium-term ATP benefits, including an increase in leveraged investments in research and development, an increase in the number of collaborations and strategic alliances, and creation or retention of high-technology jobs, and the conversion of defense companies to civilian applications. NIST's ATP staff are currently assessing short-term objectives by, for example, funding two preliminary studies that examined cost savings and indicators of success. This evaluation includes profiling applicants and awardees and conducting and analyzing a survey to gauge the "customer satisfaction" of awardees in order to identify areas to improve the program's administrative process.

ATP staff have also established 11 criteria for measuring ATP's long-term success, including (1) value added; (2) the creation of new industry; and (3) changes in sales, manufacturing costs, product quality, the time it takes to bring a technology to market, and market share. However, ATP staff face barriers in evaluating their long-term objective of identifying ATP's impact and the factors that lead to a successful ATP project. First, ATP staff need to wait for more projects to be completed before they can evaluate the program. Second, ATP projects are evaluated on both their technical and commercial success. Even after a project is completed, its commercial success may not be evident for several more years. Even then, commercial success may be difficult to determine because the resultant technical developments might be incorporated into a different prod-

uct that eventually reaches the commercial market.

SCOPE AND METHODOLOGY

In conducting our work at NIST in Gaithersburg, Maryland, and at the Department of Commerce in Washington, DC., we (1) interviewed ATP and OIG officials and (2) reviewed proposal folders and award records, OIG audit reports on ATP awardees, and DCAA's reports on indirect cost rates. This report does not identify the individual cost rates of specific companies because such information is considered proprietary. We performed our review between March 1993 and August 1993 in accordance with generally accepted government auditing standards.

VIEWS OF AGENCY OFFICIALS

We discussed the facts in this report with cognizant Department of Commerce officials, including NIST's General Counsel, NIST's ATP Director, and the Deputy Assistant Inspector General for Audits. They provided additional information that clarified program evaluation work on ATP and the OIG's reviews of indirect costs. We have incorporated their comments as appropriate. However, as requested by your office, we did not obtain written agency comments on a draft of this report.

As arranged with your office, unless you announce its contents earlier, we plan no further distribution of this report until 15 days after the date of this letter. At that time we will send copies to the Secretary of Commerce; Commerce's Director of NIST, ATP Director, and Inspector General; and other interested parties. We will make copies available to others on request.

Please contact me at (202) 512-3841 if you or your staff have any questions. Major contributors to this report are listed in the appendix.

Sincerely yours,

VICTOR S. REZENDES,
Director, Energy and Science Issues.

MAJOR CONTRIBUTORS TO THIS REPORT—RESOURCES, COMMUNITY, AND ECONOMIC DEVELOPMENT DIVISION, WASHINGTON, DC.

Jim Wells, Associate Director.
Robert E. Allen, Jr., Assistant Director.
Richard Cheston, Assignment Manager.
Andrew J. Vogelsang, Evaluator-in-Charge.
George Warholc, Evaluator.

FOOTNOTES

¹ Cooperative agreements enable NIST to provide both financing and technical assistance to businesses awarded ATP funding.

² DCAA performs contract audit functions for Defense, including evaluation of the acceptability of costs claimed or proposed by contractors. DCAA approves indirect cost rates on the basis of on-site audits. These rates are also used by other agencies.

³ A more detailed breakdown of companies' indirect cost rates was not included in this report because the NIST's concern about the release of proprietary information.

APPOINTMENTS TO COMMISSION ON LEAVE

The SPEAKER pro tempore. Without objection, and pursuant to the provisions of section 303(a) of Public Law 103-3, the Chair on behalf of the Speaker appoints to the Commission on Leave the following members on the part of the House:

Mrs. UNSOELD of Washington; Ms. Pamela L. Egan of Helena, MT; and Ms. Ellen Bravo of Milwaukee, WI.

There was no objection.

SENSE OF CONGRESS CONCERNING HISTORIC OPPORTUNITY FOR PEACE IN THE MIDDLE EAST

Mr. HAMILTON. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 143) expressing the sense of the Congress concerning the historic opportunity for peace in the Middle East.

The Clerk read as follows:

H. CON. RES. 143

Whereas the conflict in the Middle East has caused untold suffering for many decades;

Whereas the people of the State of Israel have the right to live in peace within secure and recognized borders;

Whereas successive administrations of the United States Government have worked diligently to achieve a just and lasting peace in the Middle East;

Whereas under the leadership of President Carter, Israeli Prime Minister Begin and Egyptian President Sadat signed the historic Camp David Accords of 1978;

Whereas under the leadership of President Bush, a dialogue among the parties to the Middle East conflict was initiated at Madrid in October 1991;

Whereas this dialogue was continued through the strong and constructive efforts of President Clinton and his administration;

Whereas the Government of Norway, through its Foreign Minister, played an instrumental role in facilitating the negotiations that led to the signing of the Declaration of Principles between Israel and the Palestine Liberation Organization;

Whereas the Palestine Liberation Organization has recognized the right of the State of Israel to exist in peace and security, announced that it renounces terrorism and other acts of violence, and agreed to amend its charter to delete all references to the destruction of the State of Israel;

Whereas the State of Israel has recognized the Palestine Liberation Organization as the representative of the Palestinian people;

Whereas Israel and the Palestine Liberation Organization have agreed to a Declaration of Principles concerning an interim period of limited autonomy for Palestinians on the West Bank and in Gaza; and

Whereas many difficult issues remain to be resolved in future discussions: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) supports the agreement between Israel and the Palestine Liberation Organization, and hopes it will serve as an historic opportunity to move toward a comprehensive and lasting peace in the Middle East;

(2) applauds the efforts of the Clinton administration to facilitate these developments;

(3) welcomes the decision of the Palestine Liberation Organization to recognize the State of Israel and to renounce terrorism and other acts of violence and accept the path of peaceful coexistence;

(4) welcomes the decision of the State of Israel to enter into the Declaration of Principles, and reaffirms its commitment to helping assure the continued security of the State of Israel;

(5) commends all those who have worked diligently to achieve these accords;

(6) encourages all parties to the Middle East peace process to continue to work vigorously in the pursuit of a comprehensive peace for the region; and

(7) endorses continuing United States engagement in the peace process, and is committed to supporting efforts to make this agreement a success.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Indiana [Mr. HAMILTON] will be recognized for 20 minutes, and the gentleman from New York [Mr. GILMAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, most Members of this body, as well as many Americans and people all over the world, will not soon forget the events that unfolded on the south lawn of the White House yesterday.

We were moved by the courage of the Israelis and Palestinians, who put aside decades of war and hatred.

As we watched the handshake between Prime Minister Rabin and Chairman Arafat, we saw how difficult it was for the parties to take those steps for peace. We also saw that both sides are sick of the violence and are searching for a better way.

We also recognized the months and years of tough negotiations that helped to produce that remarkable agreement. The two former Presidents and seven former Secretaries of State who were present at the ceremony all played some part in producing the agreement signed yesterday.

But yesterday was only the beginning. Today, and tomorrow, and the day after that for the next 5 years, much hard work will be required to bring the peace to fruition.

The United States will be at the side of those laboring for peace. Our help will be needed. It will be essential.

For this reason it is vitally important that Congress go on record in support of the agreement signed yesterday by Israel and the PLO.

We support them as they move toward dialog, understanding, and cooperation. We reaffirm our willingness to engage in the peace process. We offer our help as they continue to take risks for peace.

Today, along with my colleague from New York, Mr. [GILMAN], the ranking member of the Committee on Foreign Affairs, I am introducing House Concurrent Resolution 143, which highlights at this historic moment our support for our friends in the Middle East and our continuing commitment to the peace process. I ask my colleagues to move to adopt this resolution.

The resolution:

Supports the agreement signed yesterday between Israel and the PLO;

Applauds the Clinton administration's efforts to bring it about;

Welcomes the recent moves by the PLO to renounce terror and recognize Israel;

Welcomes the decision by Israel to enter into the Declaration of Principles;

Commends those who have worked to produce these agreements, with special mention of the Government of Norway;

Encourages all parties to continue to work toward peace; and

Endorses continuing American engagement in the peace process.

By adopting this resolution today, Members of Congress can show their support and deep admiration for the peacemakers in the Middle East. We can applaud them for the risks they have already taken, and pledge our support for the difficult steps that lie ahead.

Mr. Speaker, I reserve the balance of my time.

□ 1530

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of suspending the rules and passing House Concurrent Resolution 143, concerning the opportunity for peace in the Middle East. I am proud to join my distinguished committee chairman, the gentleman from Indiana [Mr. HAMILTON], in cosponsoring this resolution.

This resolution commends the signing of the Declaration of Principles between Israel and the PLO—and all those who worked so diligently for so long to bring it about.

I particularly want to commend the government of Norway and its Foreign Minister and Dr. Jerje Ron Larsen, Director of the FAFO institute of Oslo, Norway for their steadfast efforts in facilitating the negotiations that led to the signing of this agreement.

The picture of Israel's Prime Minister, Yitzhak Rabin, and PLO Chairman Yasser Arafat shaking hands—seen in every capital of the Arab world—captured an exhilarating moment signifying immense change in the world of the Middle East.

It is a momentous beginning, but it is only a beginning. Yesterday's ceremonies may have opened a whole new chapter on the Middle East, but a great deal of hard work lies ahead to turn this peace plan into reality.

This sense of Congress resolution urges all parties to the Middle East peace process to continue to work vigorously to achieve a comprehensive peace in the region.

It endorses continued U.S. engagement in the peace process and states that the Congress of the United States is committed to support efforts to make this agreement a success. I urge my colleagues to support it.

Mr. HAMILTON. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. DEUTSCH].

Mr. DEUTSCH. I thank the chairman for yielding me this time.

Mr. Speaker, on Sunday four Israelis were killed by terrorists. They were killed for no other reason than that they are Jews.

On Sunday President Clinton asked, in a sense pleaded with Yasser Arafat

to condemn those acts of violence and terrorism. On Monday Yasser Arafat made no mention of renouncing those terrorist incidents that had just occurred 1 day before.

Yasser Arafat is in this building right now as we speak. He is in this building, possibly even hearing my words, and I ask him the same thing that the President of the United States did, that his actions will speak louder than his words, that he has an opportunity if he is truly willing to renounce terrorism to renounce those violent deaths. That will not bring back the people, will not stop the pain, but will give a true indication of his desire and hope for peace.

The hope and the fear that we have for the future of this agreement I think is shared by people in this country and throughout the world. As a Member of Congress I know this Congress is going to do our part to work toward the efforts of peace in the Middle East. But let us not be concerned, be willing to ignore the reality of the actions and the lack of actions that have occurred up to this time and still occur at this moment in this building.

Mr. HAMILTON. Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. I thank the gentleman for yielding this time to me.

Mr. Speaker, I congratulate the chairman and the ranking member for bringing forth this resolution so quickly. Members of this House have been praying for years, decades that the Israelis and Palestinians would directly negotiate the way to make peace in the Middle East, that third parties and third-party countries would not force any settlement on Israel that would compromise Israel's security. Well, Israel and the Palestinians have negotiated the plans for peace. That is the only foundation that can lead to peace in the Middle East. Now we pray.

We know there are many risks. We pray that we will see real peace in the Middle East.

I am very pleased to support this resolution and, with the rest of my colleagues, hope that we will now enjoy peace in the Middle East.

Mr. HAMILTON. Mr. Speaker, I yield 2 minutes to the gentleman from New York.

Mr. SCHUMER. I thank the gentleman for yielding this time to me.

I thank the chairman, the gentleman from Indiana [Mr. HAMILTON], and the gentleman from New York [Mr. GILMAN] for introducing this resolution. Let me say that as I support the resolution, as I went to the ceremony yesterday and over the last week have thought about this, my reaction is really a torn one. My heart wants to believe in this and wants peace. My head says be very, very careful.

Mr. Speaker, this is a new era, but anyone who thinks that the day for ju-

bilation is here should reexamine the situation in the Middle East.

I am worried; I am worried about what is going to happen when the Hamas, the militant Palestinian organization, uses Jericho and Gaza and then later other enclaves as a base to attack and kill Israeli citizens; what will the Israelis be able to do and be allowed to do under this agreement? That is not yet spelled out. I am worried too that the world will continue its usual pattern which is that since Israel is the more pliable, more democratic, more pro-Western country, all the pressure goes on her.

I must say I think President Clinton did a very important thing over the last few days by bolstering Israel, by asking Arafat to condemn the attacks in Gaza—which he has not done yet, the terrorist attacks in Gaza—and let me say if he cannot condemn those attacks verbally, what is the PLO going to do when it actually comes to putting them down?

□ 1540

But the fact that Israel stood, that there would be a President unlike the previous administration that would not twist her arm into untenable positions, helped pave the way for peace.

When Yitzhak Rabin gave his speech, tears rolled down my cheeks yesterday. But I think I shared his somber mood. Peace, we want it in our hearts, but let us be careful with our heads and let us not exult too soon. There is a long, long way to go.

Mr. WAXMAN. Mr. Speaker, I rise today in strong support of House Concurrent Resolution 143, a resolution praising the recent progress that has been realized towards peace between Arabs and Israelis. Yesterday we witnessed one of the most important events in the history of the Middle East. I hope that the agreement between Israel and the Palestinian Liberation Organization will usher in a new era of prosperity and cooperation throughout the region. More importantly, I hope that this accord will at last bring to an end the decades of needless bloodshed that have so deeply scarred the people of the Middle East. I think that Prime Minister Rabin summed up the feelings of Jews and Arabs throughout the world when he said, "Enough." Enough war. Enough terror. Enough living in fear. Today can be the day that Israelis and Arabs are at last allowed to move forward and realize the unique potential that a peaceful Middle East holds.

It is very hard for many Jews to accept Israel's recognition of the PLO. It was not easy to see Prime Minister Rabin and Yasser Arafat shaking hands at the White House. And yet, I do not think we should ask whether Arafat is to be trusted. Rather, the question is whether Prime Minister Rabin can be trusted with Israel's security, and I believe he can. No one is better equipped to know Israel's security needs than former Defense Minister and Military Chief of Staff Yitzhak Rabin.

I am aware of all the barriers ahead. There are extremists on both sides who are prepared

to do virtually anything to derail the peace agreement. The months and years to come will require vigilance, hard work, and compromise. There will undoubtedly be more violence and more bloodshed caused by opponents of peace. But today, at long last, is a day for hope.

Mr. FLAKE. Mr. Speaker, I rise today to commend Palestine Liberation Organization Chairman Arafat and Israelis Prime Minister Rabin for setting aside their bitter differences and giving an opportunity for peace in the Middle East by signing this historic agreement. Mr. Speaker, history has a strange way of righting past wrongs. In 1979, when Jewish leaders discovered that Former U.N. Ambassador Andrew Young secretly met with a PLO representative to resolve Arab-Israelis differences, Israelis leaders pressured President Carter to force the U.N. Ambassador to resign. Moreover, when Jesse Jackson met with Arafat and secured an agreement to trade land for peace, the exact basis for the present Arafat and Rabin agreement, Jackson was publicly scorned by Jewish leaders. Why were these bold and imaginative leaders who have now been proven to be on the right side of history scorned? Because they violated a principal tenet of the no-talk United States-Israeli policy toward the PLO.

This no-talk policy led to two decades of war and turmoil in the Middle East. Even more ironic, Mr. Speaker, this historic agreement is the result of secret negotiations between the Israelis and the PLO because of fear that naysayers would ruin the talks. As I have talked to leaders in the Jewish, PLO, and African-American communities across this country, I am convinced that peace is a far better alternative than war. Therefore, we must ignore all negative opposition to this unprecedented peace accord. We must take this opportunity to raise and keep peace as a world priority.

For these reasons, as a Member of Congress, I am most gratified that these longtime combatants of war have decided to take their place on the right side of peace.

Mr. GEPHARDT. Mr. Speaker, yesterday, while the entire world looked on, Israel and Palestinian leaders put aside generations of hatred, animosity, and bloodshed, to achieve a dramatic and defining step on the long road toward peace.

With the initialing a Declaration of Principles agreement, a new era of hope has dawned—not only in the Middle East but throughout the entire world. From the ashes of the cold war have emerged the seeds of new alliances and relationships never before dreamed possible.

To the Israeli and Palestinian people, we offer our deeply held hopes that with the handshake between your two leaders yesterday the foundations of peace have truly begun to take root.

Changing the course of history is a monumental task that will hold many turbulent and trying moments ahead. The American people—as they have for over four decades—stand ready to support the cause of peace in the region.

As President Clinton so eloquently noted yesterday,

For too long the young of the Middle East have been caught in a web of hatred not of

their own making. For too long they have been taught from the chronicles of war; now we can give them the chance to know the season of peace.

In supporting this resolution, we not only celebrate yesterday's triumphant accord but also embrace the challenge of sustaining a season of peace for generations to come.

Mr. HASTINGS. Mr. Speaker, I rise today to express my elation with the framework for peace signed yesterday between the State of Israel and the Palestine Liberation Organization. It is almost unbelievable that after 30 years of warfare and vitriolic verbiage, the two sides could come together with such breathtaking stealth and agree to lay down their arms.

I applaud Prime Minister Rabin for taking the leap of faith and believing one can make peace with an enemy whose *raison d'être* has been your destruction. And I commend Chairman Arafat for learning that terrorism is not a viable political platform.

We all know that this is only the beginning of the process, and that every step along the path might very well bring tears of frustration over cultural differences and inbred hatreds. Israel has much experience to offer in farming, irrigation, establishing schools, healthcare, and transportation infrastructures. I hope that her neighbors will take advantage of the opportunity to learn and grow together.

Mr. LEVY. Mr. Speaker, I rise in full support of the resolution now before us and I especially commend the Chairman HAMILTON and Mr. GILMAN for quickly bringing this measure to the floor on the eve of the New Year celebration.

Mr. Speaker, late last week, a historical accord was reached between Israel and the Palestinian Liberation Organization. Not since the 1978 Camp David agreement has the prospect for a lasting peace seemed brighter in the Middle East. Yesterday, we all witnessed history as the pact was signed at the White House. This is certainly the first major breakthrough in the peace negotiations that began in Madrid 2 years ago.

Harmony throughout the Middle East may be imminent. The task at hand, however, is not complete. Now, more than ever, as Israel takes risks for peace, the United States-Israel relationship becomes even more important. Not only will the United States need to remain actively involved in the peace process, but Israeli confidence in the support of the United States becomes even more important as Israel continues to assume new risks for peace.

Again, I thank you for my foreign affairs colleagues for quickly moving this resolution. I urge its support.

Mr. KYL. Mr. Speaker, As someone who has cared deeply about the struggle to preserve peace in the Middle East, I wish to extend my sincere congratulations to the Israeli and Palestinian people on the signing of the Jericho-Gaza first agreement. I believe it is especially meaningful that the peace accord comes at a time when people throughout the world are making the choice for freedom and democracy.

The challenge of uniting warring people to preserve the peace will be a difficult one. The people of Israel and Palestine will need our help, our patience, and our financial assist-

ance. Today, I offer a historical reference: Our country once faced a challenge similar to yours over a century ago; thanks to the leadership of President Abraham Lincoln, our country weathered the divisions and animosity that inevitably follow the end of war.

During Lincoln's second inaugural address on March 4, 1865, he offered the Nation his salve for the wounds of war. Lincoln said:

With malice toward none; with charity for all; with firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in; to bind up the nation's wounds; to care for him who shall have borne the battle, and for his widow, and his orphan—to do all which may achieve and cherish a just and lasting peace, among ourselves, and with all nations.

It is my greatest hope that the Israeli and Palestinian people will be blessed with unending peace and stability which they so richly deserve.

Ms. ROYBAL-ALLARD. Mr. Speaker, I join with my colleagues in congratulating Israel and the Palestinians on the signing of this historic peace agreement. This is a moment that so many of us hoped we would live to see.

To have peace in the Middle East at hand is a dream that has been realized before any of us would have imagined it possible. That Israelis and Palestinians have made such a major step toward a peaceful solution to their historic conflict must demonstrate to all of us that peace is possible however deep the schism that exists.

I want to salute Norway for the role it played as mediator and intermediary in hosting and guiding the historic meetings between Israeli representatives and the PLO. Also, I commend those individuals who showed so much courage in the early negotiations, when it was unclear whether there would be a positive result from the first tenuous and tense meetings.

President Clinton's support, along with the major luminaries of politics and diplomacy, including several former Presidents, is extremely important to the peace process. I urge my colleagues to continue to support this developing relationship between Israel and the PLO, between Arab and Jew, so that this agreement and fragile new peace have a chance to endure.

Mr. GILMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HAMILTON. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. OBEY). The question is on the motion offered by the gentleman from Indiana [Mr. HAMILTON] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 143.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR RECEIPT OF A MESSAGE FROM THE PRESIDENT OF THE UNITED STATES IN JOINT SESSION OF CONGRESS

Mr. HAMILTON. Mr. Speaker, I send to the desk a concurrent resolution (House Concurrent Resolution 144) providing for receiving a message from the President of the United States in a joint session of Congress.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 144

Resolved by the House of Representatives (the Senate concurring). That the two Houses of Congress assemble in the Hall of the House of Representatives on Wednesday, September 22, 1993, at 9 o'clock post meridiem, for the purpose of receiving such communication as the President of the United States shall be pleased to make to them.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

ADJOURNMENT OF THE HOUSE FROM WEDNESDAY, SEPTEMBER 15, 1993, TO TUESDAY, SEPTEMBER 21, 1993

Mr. HAMILTON. Mr. Speaker, I send to the desk a privileged concurrent resolution (House Concurrent Resolution 145) providing for adjournment of the House from Wednesday, September 15, 1993, to Tuesday, September 21, 1993.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 145

Resolved by the House of Representatives (the Senate concurring). That when the House adjourns on Wednesday, September 15, 1993, it stand adjourned until noon on Tuesday, September 21, 1993.

The concurrent resolution was agreed to. A motion to reconsider was laid on the table.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, SEPTEMBER 22, 1993

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that the business in order under the calendar Wednesday rule be dispensed with on Wednesday, September 22, 1993.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

NATIONAL REHABILITATION WEEK

Ms. BYRNE. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 50) to designate the weeks of September 19, 1993, through September 25, 1993, and of September 18, 1994, through September 24, 1994, as "National Rehabilitation Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

Mr. HOUGHTON. Reserving the right to object, Mr. Speaker, I do not object, but should simply like to inform the House that the minority has no objection to the legislation being considered.

Mr. MCDADE. Mr. Speaker, I rise to observe the passage of the resolution to designate the third week in September for 1993 and 1994 as National Rehabilitation Week. I am grateful to the committee, Chairman CLAY, and the ranking Republican, JOHN MYERS, for bringing up the resolution to designate National Rehabilitation Week.

For several years now, the House of Representatives has passed similar resolutions prompting more than 3,500 rehabilitation facilities in all 50 States to participate in activities dedicated to promoting awareness of the great potential in rehabilitative services.

Allied Services of Scranton, PA, the National Headquarters for National Rehabilitation Week, has for several years developed community outreach activities and communicated the message that through rehabilitation there is hope.

A recent survey found that more than half of the general public is uninformed about the tremendous capacity of rehabilitative medical services to improve the quality of life for the millions of temporarily and permanently disabled Americans. Rehabilitation is a vital, cost-effective way in which to improve the lives of Americans with disabling conditions.

Rehabilitation services are as diverse as our population. They bring together determined disabled Americans with skilled professionals who help them achieve the greatest possible level of independence. The wide range of rehabilitation therapies include physical therapy, occupational therapy, speech language pathology and audiology, and respiratory therapy.

Whether they are provided in a hospital, nursing home, clinic, outpatient facility or in the home, rehabilitation services provide customized patient treatment.

If we reflect for a moment, we all know someone whose life has been improved by rehabilitative therapy. It might be a grandmother who has suffered a stroke who learned to speak again. It might be a child born without the use of his limbs who now can play with a specially modified toy. Certainly, we can all think of an athlete who has retaken the field after a career-ending injury.

I would like to take this opportunity to thank my colleagues who join with me in celebrating the daily victories of people with disabilities and in saluting those who provide care to the disabled, and I thank the gentleman for yielding.

Mrs. VUCANOVICH. Mr. Speaker, today I rise in support of educating women and men about their health and about a killer disease called breast cancer. I strongly support House Joint Resolution 11 which designates October 1993 as Breast Cancer Awareness Month.

Ten years ago I learned about breast cancer the hard way—after being diagnosed with the disease. Sure I had heard about the dis-

ease, but no one had ever recommended that I get a mammogram as a means of early detection. Now I know, but it is not without heartache and pain. But now I can share my story with men and women of our Nation, and hope that they will take notice of their health.

An estimated 182,000 new cases of breast cancer will be diagnosed among American women this year. Men, too, are affected and 1,000 new cases are expected to be diagnosed in 1993. But not all of these cases have to result in a mastectomy, or even worse—death. A monthly self-breast exam, regular visits to your physician and a mammogram after age 40 can save many lives. I am proof of that.

Next month is a time for Members of Congress to get the word out about this disease. Without public education about early detection, citizens do not have a chance against this devastating disease, not a chance.

Give your citizens a chance at life. Vote for House Joint Resolution 11. I know I will.

Mr. HOUGHTON. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 50

Whereas the designation of a week as "National Rehabilitation Week" gives the people of this Nation an opportunity to celebrate the victories, courage, and determination of individuals with disabilities in this Nation and recognize dedicated health care professionals who work daily to help such individuals achieve independence;

Whereas there are significant areas where the needs of such individuals with disabilities have not been met, such as certain research and educational needs;

Whereas half of the people of this Nation will need some form of rehabilitation therapy;

Whereas rehabilitation agencies and facilities offer care and treatment for individuals with physical, mental, emotional, and social disabilities;

Whereas the goal of the rehabilitative services offered by such agencies and facilities is to help disabled individuals lead active lives at the greatest level of independence possible; and

Whereas the majority of the people of this Nation are not aware of the limitless possibilities of invaluable rehabilitative services in this Nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) the week of September 19, 1993, through September 25, 1993, and of September 18, 1994, through September 24, 1994, is designated as "National Rehabilitation Week" and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such week with appropriate ceremonies and activities, including educational activities to heighten public awareness of the types of rehabilitative services available in this Nation and the manner in which such services improve the quality of life of disabled individuals; and

(2) each State governor, and each chief executive of each political subdivision of each State, is urged to issue a proclamation (or other appropriate official statement) calling

upon the citizens of such State or political subdivision of a State to observe such week in the manner described in paragraph (1).

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL BREAST CANCER AWARENESS MONTH

Ms. BYRNE. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 95) to designate October 1993 as "National Breast Cancer Awareness Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

Mr. HOUGHTON. Reserving the right to object, Mr. Speaker, I do not object, but should simply like to inform the House that the minority has no objection to the legislation now being considered.

Mrs. MORELLA. Mr. Speaker, I rise in strong support and sponsorship of House Joint Resolution 11, a bill to commemorate October as "Breast Cancer Awareness Month."

Mr. Speaker, 46,000 women will die from breast cancer this year, more than died during the Vietnam conflict, and another 182,000 women will be diagnosed with this disease. This commemorative resolution has been critical in bringing public attention to this epidemic and in educating women about breast cancer. One out of eight women will be diagnosed with breast cancer.

It is certainly appropriate that, as we are considering this resolution, members of the National Breast Cancer Coalition are lobbying for the development of a comprehensive, national strategy to end the breast cancer epidemic. They are circulating a petition calling on the President to bring together the administration, the Congress, the scientific community, private industry, and women with breast cancer and other breast cancer advocates, to develop and implement a comprehensive plan to end this epidemic. I urge my colleagues to join in this effort, and I applaud the National Breast Cancer Coalition for its continuing commitment to this issue.

We are finally moving in the right direction; funding for breast cancer research has been substantially increased in the past several years. But we must be vigilant in keeping this momentum going by ensuring access for all women to appropriate methods of detection

and treatment for breast cancer, by ensuring that breast cancer research continues to be well funded, and by ensuring that the Cancer Registries Act is implemented quickly.

I commend the gentlewoman from Illinois for her sponsorship of this critical resolution, and I urge my colleagues to support it.

Mrs. COLLINS of Illinois. Mr. Speaker, I rise today in proud support of my bill, House Joint Resolution 11, which designates October 1993 as "National Breast Cancer Awareness Month." With the strong support of more than 200 of my colleagues who cosponsored this legislation and with the assistance of the chairman who quickly brought the resolution to the floor, I am pleased that once again, October will be recognized and respected as "National Breast Cancer Awareness Month."

I truly regret, however, that the need for such a resolution is so great. The cruel, hard facts are that breast cancer is a fatal disease that strikes one out of every nine women. It has no known cause, no known cure and by this time next year, over 180,000 American women will have been diagnosed with breast cancer and tragically, more than 45,000 women will die.

Fortunately, if detected early, through mammograms, self-examinations and regular clinical exams, breast cancer can be treated and lives can be saved. In order for women to receive early treatment, however, public awareness must be increased so that getting an exam becomes as routine as the change of seasons. By designating October as "National Breast Cancer Awareness Month," we each have an opportunity to focus on breast cancer and alert women to the steps that they should regularly be taking to detect the cancer early.

For the last several years, because of these resolutions, October has been a time when cancer, women and community organizations have sponsored special public awareness events. Doctors, hospitals, and cancer groups have sponsored free or low-cost mammograms. News programs, newspapers and women's and health magazines have featured stories about the dangers of the disease and Members of Congress have alerted their constituents to the importance of early detection.

Clearly, we all have our work cut out for us in combatting this fatal disease. By working together, however, I am hopeful that the activities of National Breast Cancer Awareness Month will alert more women to the need for exams which could lead to more lives saved in the year ahead. And that, Mr. Speaker, is what this commemorative is all about.

Ms. HARMAN. Mr. Speaker, during the August recess my mother died of lung cancer. She fought heroically, but decades of smoking wrought their toll. She was an extraordinary woman, and the biggest reason why her daughter has such a desire to succeed. I loved her dearly, and shall miss her enormously.

Cancer kills. And, sadly, cancer kills unnecessarily. I am delighted to join with my colleagues in discussing the preventable and treatable aspects of breast cancer.

Breast cancer is the leading form of cancer in women. According to current statistics, 1 in 8 women will get breast cancer in their life-

time. In January 1960, the number was 1 in 20, in the year 2000 the number is predicted to increase to 1 in 7. Thirty percent of those diagnosed will die of the disease.

Detecting breast cancer early, when it is most treatable, is the key to improving a woman's chance of survival. According to the National Cancer Institute the best way to detect breast cancer early is with mammography. Still not enough women are getting regular mammograms.

Critical research has been done by a good friend Dr. Saar Porath of Los Angeles who claims that approximately 180,000 women will get breast cancer this year in the United States. Of this total, nearly 30,000 will be in the 40 to 49 age group. A total of 40,000 will be under age 50. Thankfully about half of these women are expected to have relatively early breast cancer, stage 0 and stage 1. Dr. Porath says that all of stage 0 and most of stage 1 are found through mammography.

We must send a message to the American women of the importance of mammography screening. We must make mammography available to all women. It is of paramount importance that we make the information about breast cancer detection guidelines, as recommended by the National Cancer Institute, available to all women and encourage them to follow these guidelines. It is equally vital that we conduct extensive research to find a cure for this epidemic which is the leading cause of cancer death among women.

I strongly encourage all of my colleagues to join in the chorus to make everyone aware that early detection is the key to survival and focusing our medical research is the key to finding a cure.

Mr. HOUGHTON. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Virginia?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 95

Whereas breast cancer will strike an estimated 182,000 women and 1,000 men in the United States in 1993;

Whereas the risk of developing breast cancer increases as a woman grows older;

Whereas breast cancer is the second leading cause of cancer death in women, and will kill an estimated 46,000 women and 300 men in 1993;

Whereas the 5-year survival rate for localized breast cancer has risen from 78 percent in the 1940's to over 90 percent today;

Whereas most breast cancers are detected by the woman herself;

Whereas educating both the public and health care providers about the importance of early detection will result in reducing breast cancer mortality;

Whereas appropriate use of screening mammography, in conjunction with clinical examination and breast self-examination, can result in the detection of many breast cancers early in their development and increase the survival rate to nearly 100 percent;

Whereas data from controlled trials clearly demonstrate that deaths from breast cancer are significantly reduced in women who have been screened by mammography;

Whereas many women are reluctant to have screening mammograms for a variety of

reasons, such as the cost of testing, lack of information, or fear;

Whereas access to screening mammography is directly related to socioeconomic status;

Whereas increased awareness about the importance of screening mammography will result in the procedure being regularly requested by the patient and recommended by the health care provider; and

Whereas it is projected that more women will use this lifesaving test as it becomes increasingly available and affordable: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1993 is designated as "National Breast Cancer Awareness Month" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the month with appropriate programs and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Ms. BYRNE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on the joint resolution just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Virginia?

There was no objection.

EXPRESSION OF GRATITUDE AND PRAYERS FOR HEROISM AND SERVICE

(Mr. DORNAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN. Mr. Speaker, we have had the defense bill on the floor for the better part of a week, and it is unfortunate that because the pace is so tight around here that we do not get a chance to take a moment to reflect on American heroes of the past. We have passed two incredible anniversaries without any mention of them.

Yesterday was the 75th anniversary of the battle in which my father participated at San Mihiel in France. U.S. involvement in that battle helped to shorten World War I. The Battle of San Mihiel was less than 2 months before the end of the war on November 11, 1918. The German surrender on November 11 was instigated by the 15,000 German prisoners taken at San Mihiel.

Fifty years ago this week on September 9, 1943 our American forces and British forces invaded Salerno, Italy to begin what Churchill called the end of the beginning. On that day 50 years ago, an American battalion, the 2d Battalion of the 134th Regiment, 45th Division, was almost totally annihilated.

There were 450 missing soldiers until we were able to walk the battlefield a few weeks later. That American battalion showed how the best German units could fight. Italy surrendered 50 years ago on September 8.

In these conflicts, many young Americans did accept the draft and fought for their country, giving what Lincoln called a full measure of devotion. Because of their sacrifice we should take at least one moment to reflect with a few prayers on the great legacy that has been left us in this country by our parents, by our grandparents, and by all of those great Americans who came before them.

So, Mr. Speaker, on this 50th anniversary of "Operation Avalanche," the 5th U.S. Army's landing on Salerno led by Lt. Gen. Mark Clark let me insert into the RECORD an article from Army magazine on the Allied invasion of Italy. And may we reflect on nearby Bosnia, where United States forces, many still deployed in Europe, are poised again to participate in dangerous combat operations.

The Salerno landings clearly illustrate some of the problems we could encounter without adequate forward deployed forces and overseas bases.

In September 1943 our planes could patrol over Salerno for only 20 minutes due to the lack of nearby Allied air bases. When engaged by enemy aircraft, this time was reduced to only 10 minutes. Imagine what the consequences would have been if our airpower in the 1991 gulf war had such limitations due to the lack of forward air bases. We may experience the same fate in areas such as Bosnia because of shortsighted closure of European air bases.

We do not need to arbitrarily reduce and eliminate military forces abroad for economic reasons. Instead, we need to carefully examine our strategic interests and decide what is necessary to protect these interests abroad. Let us make smart decisions in this Chamber based on long-term strategic requirements rather than making reckless Clinton motivated reductions that may lose many American and allied lives. I submit the Army magazine article on "Operation Avalanche."

[From Army Magazine, Sept. 1993]

THE SALERNO LANDINGS: A CAMPAIGN OF
ATTRITION

(By Martin Blumenson)

The familiarity is reassuring. Not much has changed during the past 50 years. In what was once a Greek colony founded in the sixth century B.C., framed by open fields, a few trees, and some low-growing brush, the Doric temples rise tranquilly, graceful and haunting in their timeless beauty.

Nearby, the massive town wall, huge stones immaculately fitted together, the work probably of Etruscans, stretches on and on, emitting a sense of overwhelming power. Closer to the sea is the medieval tower, a somewhat squat and heavy structure serving as an observation post in turn for Italian, German and American troops.

Two things are new. The Mediterranean used to be visible from anywhere along the main road, a narrow macadam path running parallel to the coastline; now, however, a stand of thick deciduous growth between the beach and the plain shuts off a view of the

sea. And in a hamlet near the water, in a small park difficult to locate, unobtrusive yet somehow uncomfortably out of place, is the plain marble memorial to the men of the 36th Division, originally a National Guard outfit from Texas, who battled ashore around Paestum, Italy, 20 miles south of Salerno, early in September 1943.

Three questions arise in connection with the Salerno landings: Why did the Allies choose to invade there? How close did the Germans come to driving them back? What were the consequences of the venture?

The choice of Salerno is a tangled tale, meandering and strange. It starts early in January 1943, with mention of Italy as a target for amphibious enterprise. President Franklin D. Roosevelt, Prime Minister Winston Churchill, and their military advisers were meeting at Casablanca, French Morocco, while the North African campaign was still in progress. Tentatively deciding to invade Sicily after winning Tunisia, they spoke briefly of what to do beyond Sicily.

Their views diverged. Interested in the eastern Mediterranean, the British opted to go from Sicily to Italy, take the toe, instep, ankle and heel, then continue across the Adriatic Sea to strike somewhere in the Balkans. The Americans, favoring an eventual blow across the English Channel, looked to Sardinia and Corsica on the route to southern France as the best way to complement a cross-Channel attack.

Despite their differences, both partners wanted to drive the Italian government from the war. An Italian surrender would deprive the Germans of the Italian units fighting alongside them in the Soviet Union, as well as 29 Italian divisions in the Balkans and five in France helping in occupation duties.

To push Italy out of the conflict, the Allies talked some of going from Sicily to southern Italy, then of moving a relatively short distance up the boot to seize the port of Naples and the airfields around Foggia. The rough terrain was discouraging. Offensive warfare was sure to be slow and painful.

No immediate objective after Sicily was obviously attractive.

Four months later, in May, as the fighting in Tunisia came to a close, the Allies conferred again. In Washington, D.C., they confirmed their decision to invade Sicily and named early July as the date.

As before, they discussed what to do if the conquest of Sicily failed to knock Italy out of the war. They could reach no firm agreement on what they called post-Sicily operations.

All they could do was to enunciate their strategic goals in the Mediterranean area, what they hoped to accomplish: compel the Italians to surrender and tie down the maximum number of German forces.

It was clear by this time that shortages in landing craft and assault shipping, as well as anticipation of strong enemy opposition, made a major undertaking across the English Channel impossible in 1943.

Thus, if the Allies were to maintain pressure on the Axis after Sicily, they would have to launch some Mediterranean activity. But where?

Was it possible to campaign up the boot of Italy as far north as Naples and Foggia, even perhaps to Rome? The prospect was altogether too grim. Not only was the thoroughly defensible nature of the ground forbidding, but Adolf Hitler intended to fight there.

As revealed by the Allied Ultra Secret intelligence intercepts, Hitler suspected Italy to be leaning toward a renunciation of the

alliance and the struggle, yet, even if Italy succeeded in withdrawing from the war, Hitler planned to defend all of Italy as well as the Balkans. That put an end, at least for the moment, to serious Allied consideration of the Italian mainland as the place to go.

The Allies wished to have some unifying focus in mind beyond Sicily. Seeking such a vision, Churchill, his principal military adviser, Field Marshal Sir Alan Brooke, Chief of the Imperial General Staff, and Gen. George C. Marshall, the U.S. Army Chief of Staff, traveled together at the end of May from Washington to Algiers. There they consulted with Gen. Dwight D. Eisenhower, the Supreme Commander of the Allied forces in the Mediterranean Theater.

Gen. Eisenhower favored invading Sardinia and Corsica unless the Sicilian campaign turned out to be relatively easy and Italy seemed to be on the verge of capitulation. In that case, Gen. Eisenhower thought it best to go from Sicily to the Italian mainland.

Churchill warmly seconded Eisenhower. Entering Italy led to Rome or to a cross-Adriatic penetration into the Balkans. Both appealed to Churchill.

Trying to forestall any move that might delay or supersede a cross-Channel strike or pull the Allies into the eastern Mediterranean, Marshall offered a compromise: have Gen. Eisenhower set up two planning staffs, one to prepare for Sardinia and Corsica, the other for southern Italy, and defer the final decision until sometime after the Sicilian landings when the Allies could better gauge the strength of Italian adherence to the alliance with Germany.

The others accepting, Eisenhower complied. On 3 June, he assigned two British corps headquarters stationed in North Africa the task of planning for an invasion of southern Italy. The X Corps was to be ready to land in the toe and head for Crotone, a minor port in the instep. If the X Corps was held up, the V Corps was to come ashore amphibiously somewhere near Crotone.

A week later, on 10 June, Gen. Eisenhower instructed the Fifth U.S. Army headquarters to prepare two plans, one to invade Sardinia, the other to seize the port of Taranto in the heel. Five days later, he asked Gen. Henri Giraud, head of the French forces in North Africa, to look into taking Corsica.

At the end of June, Gen. Eisenhower saw two possibilities open after Sicily: the British X and V Corps invading the toe and instep, then thrusting to the heel or to Naples; or the Fifth U.S. Army invading Sardinia. Taranto, too far to be covered by aircraft based on Sicilian airfields, was no longer in the cards.

Shortly thereafter, Ultra Secret intelligence reported a change in Hitler's thinking. If the Italians committed what he called treachery and capitulated to the Allies, Hitler would be unable, without the Italian army, to hold the entire Italian peninsula.

In case of Italian surrender, Hitler intended to withdraw to a defensive line in the northern Apennine Mountains, there to protect the rich agricultural and industrial Po River valley.

The implications of this potential course of action vividly impressed the Allies. If the Italians capitulated and the Germans pulled out to the northern Apennines without contesting the territory below, the Allies could put into the mainland almost anywhere and follow the retiring Germans up the boot, taking Naples, Foggia and Rome without effort. The prospect was suddenly tempting. The Allies eagerly awaited the evidence to be revealed in Sicily.

The invasion of Sicily on 10 July and the fighting during the first few days indicated not only the decline of Italian combat power but also the propensity of Italy to capitulate. War Department planners in Washington on 15 July therefore felt it possible to assume greater risks in the field. A descent on Naples, followed by a march to Rome, they believed, might be very much in order.

Four days later, on 19 July, British planners in London reached the same conclusion. They recommended invading the west coast of Italy, anywhere between Rome and the toe, then following the withdrawing Germans up the boot.

Gen. Eisenhower had already on the preceding day asked his superiors, the Combined Chiefs of Staff, for permission to land on the Italian mainland after Sicily. He was thinking very conservatively of entering the toe. The Combined Chiefs approved his request two days later, on 20 July, but reminded him to go ashore as far north as possible.

Three days later, on 23 July, the Combined Chiefs were more specific. They told Gen. Eisenhower to invade southern Italy at Naples. On 26 July, the day after Benito Mussolini's fall from power, the Combined Chiefs instructed Eisenhower to launch an invasion of the Italian mainland in order to propel Italy out of the war. They wanted him to put on an operation code-named *Avalanche*, which had Naples as its objective.

Gen. Eisenhower switched the Fifth U.S. Army headquarters from responsibility for Sardinia to *Avalanche*. The staff considered landing sites in the Gulf of Naples and in the Gulfs of Gaeta and Salerno, north and south of Naples, respectively.

Two days later, in 28 July, Eisenhower saw little point to having the X Corps mount an operation in North Africa, make a long sea voyage for a landing in the toe, then proceed overland to Crotona. It was simpler to go from Sicily across the Strait of Messina, the two miles of water separating Sicily from the toe.

The Germans by this time had become certain of eventual Italian capitulation.

When that occurred, the German troop units in Italy were, Hitler ordered, to disperse the Italian armed forces, destroy naval installations, make air force stations inoperative, knock out key military facilities and communications in southern Italy, and withdraw to Rome, the first step of a retirement to the northern Apennines. There was to be no defense south of Rome.

With Ultra Secret transmitting this information to the Allies, the risks of entering the Italian mainland suddenly diminished. On 2 August, Eisenhower intended to rush parts of the Eighth British Army, still fighting in Sicily, across the Strait of Messina when the Sicilian campaign ended. Soon thereafter, the Fifth U.S. Army, consisting of the British X Corps and still undesignated U.S. forces, was to execute *Avalanche*.

On 16 August, the day the Sicilian campaign came to an end, Eisenhower made his final decision. He directed Gen. Sir Bernard L. Montgomery, the Eighth British Army commander, to cross the Strait of Messina as soon as possible.

He instructed Lt. Gen. Mark W. Clark, the Fifth U.S. Army commander, to launch *Avalanche* on 9 September, when the phase of the moon would provide sufficient light for the predawn landing activities.

And where was *Avalanche* to take place? The Fifth Army staff quickly eliminated the Gulf of Naples. The beaches were poor, the sea approaches were heavily fortified and high ground immediately behind the water

gave defenders dominating positions from which to repel landings.

The planners looked longer at Gaeta, closer to Rome. The beaches were better. There was no high ground to block landings or access to Naples. Unfortunately, the sea approaches had strong fortifications, the offshore gradients were unfavorable and a sandbar posed a difficult problem for unloading. But the most telling reason for rejecting Gaeta was its distance from Sicily. Fighter planes operating from Sicilian airfields would be unable to cover and support an amphibious operations because the range was too great.

Almost by default, Salerno and the 20 miles of beach to the south became the choice. The beaches were acceptable, the defenses were field fortifications and lighter than at Naples and Gaeta.

Even though high ground dominates the immediate coastal plain and interposes a serious barrier between Salerno and Naples, the distance from Sicily was barely within reach of fighter aircraft equipped with additional gasoline wing tanks.

Planes could patrol over Salerno for 20 minutes before having to return to base. If they engaged German aircraft, they could stay for ten minutes only.

In the final analysis, the availability of air support, slender though it was, dictated the selection of Salerno for the *Avalanche* landings.

How difficult was it to come ashore and to stay? According to Allied estimates, a total of 102,000 German soldiers were in Italy after the Axis evacuation from Sicily. If the Italians fought alongside the Germans in Italy, 35 Axis divisions would oppose the few that the Allies could put ashore.

On the other hand, there was reason for optimism. On 17 August, the day after the Sicilian campaign ended, the Fifth U.S. Army headquarters issued an intelligence report based on Ultra Secret information. If the Italians surrendered, the G2 said, the Germans in Italy would probably retire slowly to the Pisa-Rimini line in the northern Apennines.

The statement was correct. On the same date, Col.-Gen. Heinrich Gottfried von Vietinghoff Gennant Scheel, the Tenth German Army commander in Italy, received notice of his mission.

When Italy surrendered, Col.-Gen. Vietinghoff was to withdraw all his troops from southern Italy to the Rome area.

He must have asked what his course was to be in the event of an Allied invasion, for on the following day came further word. If Italy capitulated or if the Allies invaded, Vietinghoff was to move his forces to Rome.

Part of Gen. Montgomery's Eighth Army crossed the Strait of Messina on 3 September, and the Germans, in compliance with Hitler's policy, began to withdraw slowly from the toe.

The ground was perfectly defensible; the British incursion posed no great threat. There was no particular reason to hurry. The Germans fought a skillful delaying action, giving way grudgingly.

Unknown to the Germans, emissaries from the Italian government signed a surrender document with the Allies on 3 September. Because the German presence everywhere and particularly in Rome inhibited Italian efforts to surrender, the Allies promised to invade the mainland in order to help the Italians capitulate. Once on Italian soil, the Allies would endeavor to tie down the maximum number of German forces.

Marshal Pietro Badoglio, head of the Italian government in Rome, and Gen. Eisen-

hower, Supreme Allied Commander in Algeria, broadcast news of the capitulation over the radio in the late afternoon of 8 September, the eve of the *Avalanche* landing.

The announcement prompted most of the Italian troops to disperse and go home. The Germans disarmed and disbanded the others. Along the western and eastern shorelines, German soldiers took over the coastal defenses abandoned by the Italians.

Around Salerno, the 16th Panzer Division was stretched thinly over a large area. The only fully equipped armored division in southern Italy, it had 17,000 men, more than 100 tanks, and 36 assault guns, all organized into four combat teams.

They would react at once to landings and seek to drive the invaders back into the sea, but their main purpose was to fight to preserve the routes of withdrawal for the units in the toe.

On the Allied left flank of the landing beaches, U.S. Rangers and British Commandos were poised to seize high ground and thus facilitate a later advance to Naples. Facing the city of Salerno, the British X Corps had the 46th and 56th Infantry Divisions in the initial assault waves; the 7th Armored Division was to follow.

On the Allied right, the U.S. VI Corps headquarters directed the 36th Infantry Division. Having arrived in North Africa early in 1943, both organizations were scheduled to invade Sicily. They were scratched in favor of combat-experienced forces, and they were transferred to the Fifth Army.

Gen. Clark wished for an additional American division, but there was insufficient assault shipping to carry more men. Somehow, enough vessels were found to hold part of the 45th Division as a floating reserve.

Available for later participation were the 3rd and 34th Infantry Divisions and the 1st Armored Division. The 82nd Airborne Division was to be airlifted from Sicily to drop near Rome in order to protect the Italian royal family, but the operation was canceled at the last minute.

Announcement of the Italian surrender brought happy cheers from the men aboard the invasion fleet. The landings, most troops believed, would be unopposed.

*** Recovery from the initial shock was remarkable. Brave individuals rose to their feet—often to their own astonishment—threw hand grenades, fired submachine guns and started to make things happen.

Of course, it was difficult to get ashore, for men to get rid of their fright, to coalesce into groups and to go about their duties. Every amphibious operation against a hostile shore is precarious. The interval between arriving on the coast and getting established there is a nightmare for ground troops.

It was also difficult to remain. The Germans temporarily relaxed pressure against the Americans to concentrate against the British who were after the more important objectives of Salerno, the airfield at Monte Corvino and the nearby towns of Battipaglia and Eboli. As German troops retiring from the south came into the Salerno area, they turned again on the Americans.

Undeniably, a crisis of serious proportions developed on the Allied beachhead. The Germans increased their forces around Salerno faster than the Allies could. Gaining numerical superiority, the Germans launched counterattacks that came close to success. They overran and destroyed two infantry battalions of the 36th Division, one near Persano, the other near Altavilla, and hurt a few others badly.

At several times during the course of the engagement, the Germans were certain that

they had sent the Allies reeling back into the sea.

"The battle of Salerno," the German Tenth Army diarist entered into his journal on the evening of 13 September, "appears to be over." The Germans, he thought, had won.

Gen. Clark considered evacuating one of the two beachheads, and his staff worked on plans to take the VI Corps off its beaches for movement by ships and relanding in the X Corps area, and also to transfer the X Corps to the VI Corps area. Other measures made abandoning any part of the shoreline unnecessary.

The British dispatched two cruisers and two battleships from Malta to Salerno to thicken the naval fires on ground targets. Three British cruisers rushed at top speed from Salerno to Tripoli to pick up and deliver British replacement to the beachhead. The VI Corps floating reserve, the 45th Division, was put ashore, and vessels hastily gathered proceeded to Sicily to transport parts of the 3rd Division to Italy. On two successive nights, two battalions of the 82nd Airborne Division dropped into the beachhead to reinforce the hard-pressed defenders.

Ultimately, two events made it possible for the Allies to hold and consolidate on the Italian mainland. First, the Allied soldiers displayed guts, tenacity and staying power as they stood up to the German attacks.

Conspicuously touring the front to encourage his troops, Gen. Clark displayed disregard for his personal safety, exposed himself to enemy artillery and machine-gun fire, and thereby imparted confidence and steadiness to his men, actions for which he was later awarded the Distinguished Service Cross. All ranks simply refused to admit defeat.

And second, after coming close to driving the Allies from the beaches, the Germans eventually gave way because of the strategic framework of their commitment.

They might have drawn strength from the north to overwhelm the Allies, but their opposition at Salerno was based on the need to ensure the withdrawal of the formations from southern Italy to the Rome area. This they accomplished, and they broke off.

On 18 September, nine days after the initial landings, the Germans began to retire slowly to the north. They thus brought the battle to an end.

As for the consequences of Avalanche, the Salerno invasion opened a major Allied campaign in terrain inappropriate for offensive warfare. Their aim was to tie down the maximum number of Germans. To this end, they pushed against the Germans following hard on their heels. On 1 October, the Fifth U.S. Army took Naples and the Eighth British Army secured the Foggia airfields.

Then, with Gen. Clark's forces in the western side of the Italian peninsula, and Gen. Montgomery's on the other side of the Apennines, the two Allied armies set out for Rome. They expected to reach Rome rather quickly as the Germans supposedly headed for the Pisa-Rimini line in the northern Apennines.

Unfortunately for Allied anticipations, Hitler changed his mind. Instead of giving up the excellent defensible ground south of Rome, he decided to contest it. The German withdrawal, always slow, always skillful, always stubborn, stopped at the Gustav Line.

There the Germans demonstrated how tough they were. In virtually unbreakable defensive positions, they kept the Allies out of Rome for almost a year. That virtual stalemate produced painful and controversial actions, among them the Rapido River, Monte Cassino and Anzio.

Salerno marked the start of a campaign of attrition. It was never altogether clear whether the Allies were tying down the Germans in Italy or whether the reverse was true.

ORDER OF BUSINESS

Mr. CARDIN. Mr. Speaker, I ask unanimous consent that the special order for the gentleman from Michigan [Mr. BONIOR] on September 14, 1993, be allocated to the gentlewoman from Connecticut [Ms. DELAURO].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

SAVINGS IN AMERICA

The SPEAKER pro tempore (Mr. SANGMEISTER). Under a previous order of the House, the gentleman from Idaho [Mr. LAROCO] is recognized for 5 minutes.

Mr. LAROCO. Mr. Speaker, for several days now, I have been discussing the problems created by our country's low personal savings rate.

Today I want to discuss some of the ideas that have been advanced to account for this distressing phenomenon.

Unfortunately, there is little consensus about why we do not save. I believe that we urgently need to discover the reasons for the low and declining personal savings rate in America so we can take action to reverse it.

We do know a few things about savings propensity, but they are not encouraging.

We know, for example, that when taxes are cut, Americans do not increase their savings.

We know that high interest rates—that is, high rates of return on savings—do not correlate with increased savings.

We know that we do not save more when the economy is growing. In fact, some economists suggest that when Americans perceive the economy to be healthy, they save less because they have fewer fears for the future.

In fact 1950s, the personal savings of Americans amounted to more than 8 percent of our net national product. By the beginning of the 1990s, we were down to less than 2½ percent. What happened?

First, many of us got personally wealthier—through no fault of our own!

We bought houses and found that their value went up year after year, even though we had not remodeled or added a garage.

So, even though the balance in our savings account was minuscule, the growing equity in our homes made us feel confident that we had something we could tap if we needed money.

An industry based on second mortgage lending burgeoned as families

began to turn to the equity in their homes when they needed money to meet a medical emergency or a college tuition bill, or just to go on vacation.

This trend has two results.

First, families maintain month-to-month bill paying ability, even though we have not saved money ahead of time for our emergencies, vacations, and college-bound children.

And, second, the American economy loses all of the positive effects of having resources at its disposal for investment.

Mr. Speaker, on an individual basis, I guess I am happy for people whose home ownership investment has increased their borrowing power beyond all expectations.

We have to recognize, however, that as a Nation we have gone from having a big stock of savings available to finance investment to a new economic and personal ethic where we borrow against the value of the family home—and that should not make anybody happy.

A second theory that has been advanced to account for our disinclination to save is our country's low inflation rate. Low inflation, of course, means that prices do not rise much—but it does not necessarily mean that we spend the same amount of money from year to year.

We spend just as much or more than we spent last year, because we're buying more things or better things. Our grocery store tab goes up because we're buying steak instead of hamburger, not because the meat that cost us \$1 a pound last year now costs us \$3.

When we suffer inflation, we get scared that our income may not grow fast enough to keep us in hamburger, let alone steak.

Historically, even though inflation reduces the amount of money we have available to save and erodes the value of our savings, it has managed to scare us into saving. Lack of inflation leads us to feel we don't need the hedge of savings.

I am certainly not recommending a return to inflation as a means to improve our savings rate, but we need to recognize the illogic of our savings behavior.

A third theory is that U.S. demographic shifts are responsible for our changed savings conduct. Two major, related demographic factors are the massive entry of women into the salaried workforce and the decrease in American family size. Both factors have changed our perception of our need to have family savings.

The fact that our households, on average have fewer children than post-war households means that we don't have as many future needs to plan for. We do not save very much in our children's college funds, plus we have fewer children to save for, so overall savings decrease.

Second, the fact that most women now work outside the home has led us to feel we can get by with less money in the family emergency account. In the 1950s, with one bread-winner per household, families knew that they needed savings in case Dad lost his job. Now, with two wage earners in many households, these families feel more secure—even though the fact is that most families spend virtually all of the income of both bread winners and would be dramatically affected by the loss of Mom's job or Dad's job.

Mr. Speaker, these are some of the factors which have contributed to the mistaken decision against savings made by so many Americans.

In the days to come, I will be back before the House to discuss ways we may be able to reverse this trend.

□ 1550

THE CRISIS IN BOSNIA

The SPEAKER pro tempore (Mr. SANGMEISTER). Under a previous order of the House, the gentleman from New Jersey [Mr. SMITH] is recognized for 5 minutes.

Mr. SMITH of New Jersey. Mr. Speaker, the nightmare in Bosnia wages relentlessly as the world, reticent to become involved, stares in disbelief. The media has tired of the 17-month-old war, and Americans and Europeans sitting in front of the television news seem to be numbed by the countless deaths, the refugees, the ethnic cleansing, the war crimes, and the detention camps.

Last week, as ranking member of the Helsinki Commission, I joined a number of our colleagues in meeting with Alija Izetbegovic, President of Bosnia and Herzegovina. Our meeting preceded his scheduled meetings with Secretary of State Warren Christopher and President Clinton. With respect and distinction, President Izetbegovic sought to measure the level of support which he can expect from the United States. His strength at the bargaining table is only as strong as the will of his own people combined with the security offered by the outside world. The deafening silence of nations around the globe has left, and will continue to leave, the Bosnians and their President alone at the negotiating table against the aggressive Serbs and the advancing Croats.

The latest map which was configured at the Geneva talks is not acceptable to President Izetbegovic who would be left with only 29 percent of the original land mass of Bosnia and Herzegovina. The land would not even be contiguous and several of the six sections would face imminent strangulation by economic and ethnic pressures. The bottom line of the map which was on the table in Geneva is this: Aggression pays dividends, especially if the situation is murky and no political leaders in the free world are willing to be leaders on a very tough issue.

I can understand why President Izetbegovic finds the current map unacceptable. The Serbs would be granted more than 50 percent of the land as a payoff for their aggression. I

read with surprise that the Croats would gain as much as 17 percent of the Bosnian territory. It was only months ago that we were coming to the defense of the Croats decrying the aggression by Serb troops and irregulars on their territory.

President Clinton has expressed his commitment to utilize U.S. troops once an enforceable peace settlement has been obtained. The Bosnians are in the position, though, that they need a clear understanding of what political and military commitment the United States—and other countries—is willing to take, on their behalf. The history of the last 8 months, though, points to an irresolute U.S. foreign policy.

As I did with our former President, I call upon President Clinton to take the leadership in this crisis of human tragedy. With all due respect, bold leadership has not been evident. I implore the President to act on his promises of support and defense. The first step, which would at least let the Bosnians fight with some effectiveness against their aggressors, would be the lifting of the arms embargo. We simply cannot be deterred or take "no" for an answer. This would permit them to obtain ammunition, antitank and antimissile munitions. The mournful cry of President Izetbegovic will continue to haunt the United States and the Security Council members. The other day he pleaded, "Defend us or let us defend ourselves. You have no right to deprive us of both."

I continue to support strategic air strikes of the Serb troops which refuse to withdraw from Mount Igman around Sarajevo, military staging grounds and supply lines. On July 23, 76 Members of the House, including myself, and 13 Senators sent an urgent letter to President Clinton outlining seven steps which we believe the United States should communicate with the international community. The steps include the use of aerial bombardment by NATO forces of Serb militant positions in the surrounding hills and the elimination of Serb blockades. The position of Serb forces remains threatening and, in my opinion, the United States has abrogated its leadership role in the name of multilateral agreements.

While the United States continues to flounder with its stated, diplomatic policy toward the former Yugoslavia, we cower behind the cloak of multilateralism and the whims of the U.N. Security Council. But even where there has been international agreement, in the case of prosecuting war crimes, leadership is missing. Last February, member States of the United Nations pledged to establish an international war crimes tribunal. The victims continue to await the appointment of a prosecutor and the establishment of prosecutors office.

Yesterday, as I listened to the despondent and sober position of the Bosnian government and their people, I could only think that this may indeed be the last opportunity we have to take the leadership role which the United States should and does command. If we are going to shore up the Bosnian weak negotiating position, then let us declare our position and move decisively in what is a moral commitment.

Otherwise, the Commander in Chief should acknowledge to Congress, the American people, and the victims of aggression in the former Yugoslavia, that he can not justify a

unilateral military response by the United States. At least, then, the Bosnians will know that they stand alone, that they will have to defend themselves.

Mr. Speaker, that acknowledgment and admission would be unconscionable.

TOURISM CAUCUS PROPOSAL: MAKING IT A FEDERAL CRIME TO ATTACK FOREIGN TOURISTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii [Mr. ABERCROMBIE] is recognized for 5 minutes.

Mr. ABERCROMBIE. Mr. Speaker, the media has covered quite extensively of late the problem existing for our visitors coming from foreign shores to the United States. Unfortunately some of the incidents involved have been so notorious that they have received even international recognition. Part of the problem associated with it, Mr. Speaker, has to do with the idea that those coming from foreign countries to the United States find themselves as tourists in a sense of a spirit of adventure, are not quite necessarily familiar with their surroundings, or have only an understanding which might involve reading of maps, perhaps reading some tourism pamphlets. They are focussed, quite obviously, on an individual and collective basis, as elsewhere, than on safety.

Mr. Speaker, we have those in our Nation who see this as an opportunity to prey upon these individuals and groups who are coming to visit with us, and, as a member of the tourism caucus, I want to indicate that we will shortly be bringing forward a bill to make it a Federal crime to attack a foreign tourist, someone who is here on a visa, a visitors visa, someone who is coming to the United States in order to enjoy the benefits of recreation and tourism, the kinds of things, the visit, that we would like to extend to all visitors. We think that we will be able to put together a bill that will in general involve an opportunity for local jurisdictions, and particularly law enforcement officers in local jurisdictions, to have the opportunity to work with the State Department, to work with the United States Travel and Tourism Agency, to work with the Department of Justice, to see to it that, if there is a question of bringing witnesses before grand juries or for trial, if there is a question of taking depositions, perhaps in foreign nations, there is a question of working with other embassies, our own embassies and consulates overseas, if there is a question of interstate travel, there is a question of utilizing the auspices of the FBI and other agencies equipped to work with local law enforcement jurisdictions, that we will be able to see to it that witnesses are able to appear, that victims are able to be compensated, that victims will be able to participate in successful prosecutions.

I am sorry to say that some criminal elements in our country recognize that there is a weakness in our existing jurisprudence system that allows them to take advantage. I say to my colleagues, "In other words, you are much less likely to be prosecuted, let alone be successfully prosecuted, if you attack a foreign tourist, if you attack someone who is unlikely to be able to speak the language necessarily, let alone be able to appear as necessary to fulfill all the requirements of our jurisprudence system."

So, Mr. Speaker, I want to indicate to those throughout the country who understand the value of tourism to our economy, those who understand that tourism is one, two, or three in value to 13 States, that it is, that tourism is, the No. 1 economic generator in many, many areas, that we are not going to stand by and see this kind of attack in general take place, and most certainly we are not going to see our international friends who are coming to visit us be victimized in this way.

Mr. Speaker, a comprehensive bill will be forthcoming. We expect to have sponsorship and bipartisan support for it, and I can assure my colleagues on behalf of the gentleman from Minnesota [Mr. OBERSTAR], the chair of the tourism caucus, that this bill will have strong support from within the caucus and that we will be reaching out to all the Members of the House and the other body for swift passage. We will be working with any and all interested groups and individuals to see to it that the full Federal resources are brought to bear to aid and assist all local law enforcement jurisdictions.

REPORT ON RESOLUTION RELATING TO CONSIDERATION OF SENATE AMENDMENT TO H.R. 20, FEDERAL EMPLOYEES POLITICAL ACTIVITIES ACT OF 1993

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 103-238) on the resolution (H. Res. 251) relating to the consideration of the Senate amendment to the bill (H.R. 20) to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes, which was referred to the House Calendar and ordered to be printed.

□ 1600

WORK FOR JOBS IN AMERICA

The SPEAKER pro tempore (Mr. SANGMEISTER). Under a previous order of the House, the gentleman from Florida [Mr. BACCHUS] is recognized for 5 minutes.

Mr. BACCHUS of Florida. Mr. Speaker, I rise today to share with my colleagues the results of a remarkable event in my district in central Florida this past Saturday. As most of my colleagues know, on most Saturdays in my district I lead what we call Citizen Saturdays. These are community service projects. We go out and build children's playgrounds, tutor disadvantaged kids, clean up beaches, rivers, and lakes, and build homeless shelters. We go door to door collecting food for the hungry and children's books for child care centers. These are our Citizen Saturdays.

This past Saturday was my 123d Citizen Saturday. It was a jobless fair. It was the first jobless fair we have ever held. We had 65 businesses from throughout central Florida participating, businesses that have jobs available now for workers who need them. We had dozens more working as volunteers, setting up the fair and making it operate as it should.

Mr. Speaker, we had 8,000 people attend. Eight thousand people attended our jobs fair on our Citizen Saturday. They lined up going out the doors at the community college where we held the event, and I spent most of the day talking to these people, most of whom are out of work.

Mr. Speaker, I am privileged to represent the 15th Congressional District of central Florida. It is one of the most exciting districts in the entire country. The Kennedy Space Center is there. We have high technology, we have citrus, we have tourism, we have wonderful events. We also have more than 30,000 people in my district who are out of work, and there are thousands more who are underemployed and need better jobs. And 8,000 of them were at our job fair.

I believe we helped them. Some of them now have jobs. Others have chances for work that they did not have before. Many of them have new information about how to get new skills, how to work with the JTPA, how to work with the community colleges.

Mr. Speaker, I came away believing that we simply must redouble our efforts to help the American people find work and help the American people compete in this new world in which we find ourselves. We simply must do much more to help them.

The deficit reduction bill that we passed a month ago will help. It is a start. We need to do a lot more to bring down the budget deficit so we can free up private capital for investment and private jobs, and not just in public debt. So I am working hard with many of my colleagues on both sides of the aisle to prepare for another bill next month that will cut spending even more, to prepare for entitlements reform that will begin to control that part of the budget that is mushrooming

beyond control, to work with Vice President GORE and others in trying to pass his proposals to reinvent our Government and streamline it, to save money and bring down the budget deficit. I am working hard, too, for the lineitem veto and the balanced budget amendment, so that we can stop spending money that we do not have and make it possible for the private sector to grow and flourish and create real long-term economic growth.

Of course, we must also provide health care for our people, and we must do it in an affordable fashion. I share the goals of the President for cost containment and for universal access. I like his basic approach. I am waiting to see how he wants to pay for it and how it is going to work in the real world. But we must control health care costs if we are going to bring down the budget deficit, and the American people must have decent, affordable health care if they are going to compete in this world.

Mr. Speaker, we must invest in education, technology, and children if we are going to have a competitive America. That is why I have worked hard in my brief time in this House to shift our spending priorities to invest in those things that create the conditions that are most conducive to economic growth and the creation of jobs. That is why I have worked hard for the space program, for the President's high technology initiative, and for all those ways in which we can improve our technology and improve our chances of getting more of the value added in the world's share of the gross national product.

Mr. Speaker, there is much more that we must do. There is much more that we must do, and I encourage my colleagues to do as I have done, if they can: Hold a job fair in your district. Talk to those who are seeking work. Talk to those who need better jobs. There are thousands of them out there.

Mr. Speaker, those people seem grateful that we even knew they were there. I want to assure any who may be listening, I know you are there, and I care.

A TO Z ON MEXICAN PROFESSIONALS COMING TO AMERICA UNDER NAFTA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mrs. BENTLEY] is recognized for 5 minutes.

Mrs. BENTLEY. Mr. Speaker, last night I spoke about the gigantic number of professional job categories that will be allowed to come into the United States as temporary workers from Mexico under the North American Free-Trade Agreement. Over 60 categories are involved, ranging from accountants to zoologists, A to Z.

As I said last night, there might be a justifiable reason to bring in a very

special engineer or technology expert for a certain piece of equipment on a temporary basis.

But that is not what we are talking about. We are talking about opening the door to annually approve as many as 5,500 initial petitions of businesspersons of Mexico seeking temporary entry under section D of annex 1603 of our Code to engage in a business level activity at a professional level in a profession set out in appendix 1603.D.1.

Now, it says that the United States shall not take into account the renewal of a period of temporary entry, or the entry of a spouse or children accompanying or following to join the principal businessperson, and so on, which means that the door is going to be wide open and the flow can just keep going.

Now, let us go through this list of people:

Accountant, Architect, Computer Systems Analyst, Disaster Relief Insurance Claims Adjuster (claims adjuster employed by an insurance company) Economist, Engineer.

Forester, Graphic Designer, Hotel Manager, Industrial Designer, Interior Designer, Land Surveyor, Landscape Architect, Lawyer (including Notary in the Province of Quebec), Librarian, Management Consultant, Mathematician (including Statistician), Range Manager/Range Conservationist, Research Assistant (working in a post-secondary educational institution).

Scientific Technician/Technologist¹, Social Worker, Sylviculturist (including Forestry Specialist), Technical Publications Writer, Urban Planner (including Geographer), Vocational Counselor, Medical/Allied Professional, Dentist, Dietitian, Medical Laboratory Technologist (Canada)/Medical Technologist (Mexico and the United States)², Nutritionist, Occupational Therapist, Pharmacist.

Physician (teaching or research only), Physiotherapist/Physical Therapist, Psychologist, Recreational Therapist, Registered Nurse, Veterinarian, Scientist, Agriculturist (including Agronomist), Animal Breeder, Animal Scientist, Apiculturist, Astronomer, Biochemist, Biologist, Chemist, Dairy Scientist, Entomologist, Epidemiologist, Geneticist, Geologist, Geochemist, Geophysicist (including Oceanographer in Mexico and the United States), Horticulturist, Meteorologist.

Pharmacologist, Physicist (including Oceanographer in Canada), Plant Breeder, Poultry Scientist, Soil Scientist, Zoologist, Teacher for College, Seminary or a University.

Mr. Speaker, if each year 5,500 professionals from the above list migrate to the United States from Mexico and 5,500 from Canada, or even if it is just half the amount, and they choose to get lost somewhere in the 50 States, we might point out that Mexico, in particular, will be the loser, along with those whose jobs they take in the USA at a lower salary in order to grab any opening available. Mexico will be the loser because it will lose that important talent of some 5,500 professionals each year, and Americans who are replaced by lower paid persons will be the losers here.

So it goes on and on with some of the discrepancies and some of the dif-

ferences that we should take into account when we consider the North American Free-Trade Agreement.

Mr. Speaker, my next piece will discuss the difference in investment allowances between the United States and those in Mexico.

□ 1610

A REVIEW OF THE ANTI CAR THEFT ACT OF 1992

The SPEAKER pro tempore (Mr. SANGMEISTER). Under a previous order of the House, the gentlewoman from Florida [Mrs. THURMAN] is recognized for 5 minutes.

Mrs. THURMAN. Mr. Speaker, yesterday another foreign tourist was murdered in Florida. This brings to at least nine the number of foreign visitors who have been killed in Florida since last fall. Some have been singled out because of their rental cars; fortunately, the Florida Legislature changed the law that made identifying rental cars too easy for thieves and murderers. Others were the unfortunate victims of robberies.

As a Representative from a State that depends on tourism, I am deeply disturbed by these heinous acts of violence against innocent people. The nine murder victims, the last killed just yesterday at a highway rest stop east of Tallahassee, were all taking advantage of my State's unequal vacation opportunities. They were, in effect, guests of our wonderful State. They were relaxing, taking in the sights, basking in the sunshine, and enjoying our beaches, when their lives were ended, coldly and cruelly.

Last year, Congress took action in this area. The Anti Car Theft Act of 1992 created a new Federal offense for armed carjacking, punishable by imprisonment of up to 15 years. If death results, the perpetrator could be sentenced to life. The law requires that the offender possess a firearm when stealing the vehicle by force or by intimidation.

My review of the law indicates that the statute is deficient in two ways: First, it requires the criminal to steal or attempt to steal the car; but too often the motive is robbery and no attempt to steal the car is made; and second, it requires the possession of a firearm, and the criminal may not necessarily possess a gun—a lead pipe or tire-iron might be sufficient.

I intend to work with other interested Members to amend the present law so that criminals who prey on tourists and other visitors to Florida are prosecuted, convicted, and put into prison.

At the very least, we must eliminate the firearm requirement and that we add a deliberate stopping of a motor vehicle—by, for instance, bumping one car with another. We also should con-

sider appropriate changes to permit prosecution of criminals who accost tourists on the street.

I hope to work with the gentleman from Hawaii on this matter.

ON THE PROSPECT OF PEACE IN NORTHERN IRELAND

(Mr. NEAL of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NEAL of Massachusetts. Mr. Speaker, yesterday I stood in amazement as Prime Minister Rabin of Israel and Chairman Arafat of the PLO shook hands, thereby beginning a process of ending a century standing dispute.

This compact should provide impetus to resolve the longest standing political dispute in the Western World, the six counties of Northern Ireland.

In the last 5 years we have witnessed the demise of the Berlin Wall, the yoke of Marxism being lifted in Eastern Europe, Soviet troops leaving Lithuania, majority rule coming to South Africa, and the dissolution of the Soviet Union. Only in Northern Ireland has there been little if any progress.

It is time for the British to begin talks with the Irish Government and Sinn Fein to begin the process of disengagement from Northern Ireland which is favored by the English people who can no longer financially afford the burden of occupation. It is time to begin the process of the formal reunification of Northern Ireland with the Irish Republic.

Nowhere in the world does partition work. Yesterday President Clinton used the term the "conflicting claims of history." Today that term applies fully to Northern Ireland.

I am today urging President Clinton to proceed with naming of a special envoy; former President Jimmy Carter would be an excellent choice. The envoy would make formal recommendations to Great Britain and Ireland in how best to proceed with the peaceful reunification of Ireland. The judgment of history awaits us.

HEALTH CARE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 60 minutes.

Ms. DELAURO. Mr. Speaker, there is little mystery about the health care problem that we face in our country. The cost of health care in the United States has risen beyond the reach of average Americans. Very few families can afford today to pay out of their own pockets the cost of childbirth or the cost of braces for children or an operation to remove a ruptured appendix. These, as we all know, are not unusual medical procedures. On the contrary, they are problems that every family faces.

Most families are lucky enough to have employers who offer health care coverage that pays. The unlucky, the unlucky pray each night that an emergency does not arise that could demand medical care. For these people, even nonemergency procedures become a family crisis.

It should be noted, with alarm, that the number of people in our Nation without health insurance continues to rise. Each month, 2 million more people lose their health care coverage. But if families are covered, then someone is covering the cost, and generally that means employers.

Businesses pay an ever-increasing share of the national health care cost. Workers pay larger and larger chunks of their paychecks for insurance coverage, and Government payments, in the form of Medicaid and Medicare, continue to rise as costs go unchecked.

Sadly, the increased costs that are being charged do not go to improved health care. In fact, for each dollar in health care cost that is spent at a hospital, 25 cents goes toward administrative bookkeeping and paperwork, the redtape that is involved with the health care system.

We have a system today where the number of health care administrators has increased four times faster than the number of doctors. Imagine, four times faster than the number of doctors to care for people in our country.

We have a system that all agree is broken. Costs rise to pay for more and more paperwork. Excellent care is available but only to those who can afford it or who are lucky enough to be covered. The result is a population, people in this Nation that are burdened and businesses that cannot afford to stay in business.

What we need, Mr. Speaker, is reform. We need a plan that will provide relief to the business that is paying more and more in health care for its employees. We need an alternative for the family that sees a bigger chunk of its monthly paycheck going to health insurance. We need a solution that treats those who are unlucky, part-time employees and full-time employees without coverage and the unemployed, with some dignity.

I, for one, am extremely excited that our President has made health care the centerpiece of his administration. I am hopeful that the reforms that he will soon recommend will be the prescription that our health care system needs.

Let me share just a couple of examples that illustrate the kinds of health care problems that millions of Americans face every single day, problems of average people who are caught in the cracks of a system that grow larger each day that no solution is being offered for them.

One unemployed woman in Connecticut recently contacted my office, after she found herself caught in a maze of

regulations and requirements that comprise our current system. She suffers from a congenital heart defect that is rapidly deteriorating. She has no insurance. She is too young, by 1 year, to be eligible for Medicare. And she cannot get Medicaid because her husband's income is too high to allow her to be eligible, despite his own lack of insurance that would cover her. So they find themselves in a situation of nowhere to turn.

A man approached me, seeking advice. His wife was injured on the job at a local supermarket, a supermarket that offers health insurance but only after the first year of employment.

□ 1620

The man's employer will not offer health insurance. This family has two children. After being hurt on the job his wife will receive worker's compensation while she recovers, but neither the man nor the couple's children are covered.

Let me give another example. A child in my district was born with a cleft palate. Though both his parents are employed and they have insurance, the company refuses to cover the necessary operations for this child because the defect is what the insurer calls a preexisting condition. How many of us, how many families, have heard that term, preexisting condition, that denies them the health coverage they so need so they can survive an illness, a child's illness?

These examples are more and more becoming the norm for working Americans. Many families are unable to get health insurance, and when they do, it comes with strings attached that prevent coverage for major illnesses. When they are lucky enough to have insurance, they feel trapped in their jobs because they have health coverage and may lose it should they choose to change employers.

Let me just make a note on preexisting condition. I have a preexisting condition. I am a cancer survivor, and I am fortunate enough to be able to purchase my health insurance, and I can afford it. However, if I were to leave my job and look for insurance somewhere else, who wants to insure me as a cancer survivor? That is what people face every single day.

By far the largest problems facing American families today, however, is one of cost. The majority of Americans have some insurance, but the cost, even for those, continues to rise unchecked. It is a hidden tax that adds only one more burden on those who already suffer because of recession, or because of economic uncertainty.

Under our current system the future looks bleak, indeed. Costs would continue to rise, sapping businesses and families of needed cash. Health care plans would continue a trend of insuring more and more healthy Americans,

while those with serious illnesses and medical problems would be left to fend for themselves.

The case for reform could not be clearer. Americans know that. They are ready for the types of change that are being proposed by the President. The administration's plan makes some very, very baseline guarantees. It will provide security. It will give families the confidence to know that they will not lose their health care if they lose their jobs. It will give all Americans the security to know that they will have health care. Preexisting conditions, like a cleft palate or asthma or others that everyone can mention, will no longer be the cause for denial of health coverage.

Choice of physicians will continue to be a central component to health care, so Americans can maintain the confidence that they have in their family doctors. Baseline minimum care will be provided to all Americans regardless of their employment situation. Most importantly, compensation will help to reduce the costs of health care, both for families and for employers.

These are not small items. They represent major landmark reforms, and achieving these provisions will not be an easy task. It is a task that Americans are looking to those of us who are in Congress to perform; one, quite frankly, that they are not sure we are up to.

I believe we are up to it. If Congress cannot address an issue of such magnitude, that affects every single American family and business, then we will have truly ignored our responsibility and the mandate of those who have sent us here.

Mr. Speaker, for the families and businesses in my district, for those who are paying too much each month and getting less, for those who find themselves, for one reason or another, without insurance, for those who find themselves without health care, for whatever reason, I urge this body to tackle this problem with all the vigor and energy that it demands. We simply cannot afford the consequences of doing any less. The American public has every right to demand of us to focus on this problem and to do something about it.

Mr. Speaker, I yield to the gentlewoman from the First District of North Carolina [Mrs. CLAYTON]. The gentlewoman from North Carolina is a member of the Committee on Agriculture and the Committee on Small Business, and has been very, very active in rural health care delivery in her home of Warren County, NC. She, too, will address the issue of health care.

Mrs. CLAYTON. Mr. Speaker, I thank the gentlewoman from Connecticut [Ms. DELAURO] for organizing this special order on health care. Developing a national health care system that is affordable and accessible to all

Americans is the most pressing concern facing this Congress.

My interest comes from having served as a county commissioner for 10 years in a rural community which suffered from a severe deficiency in health care and other human services. When we were faced with the possibility of closing the only hospital in the county, we were forced to create a secondary system which focused on primary preventive care. I am happy to report that the facility continues to serve the county well, and is viewed as a model throughout the State.

Preventive health care, in my opinion, is a major component of any plan that would seek to answer the needs of rural and urban/inner city populations. In fact, when one looks at the problems of both these groups, one finds that a lack of access and a lack of resources are common threads that bind the two together. Prevention, therefore, is an effective, efficient tool for reaching these populations and allowing them to have some control over and responsibility for their own health care. Even those undeserved communities with some type of preventive health care systems often experience a greater demand for services than they can deliver.

James D. Bernstein, the director of North Carolina's Office of Rural Health, has said that any health care reform system must be "sensitive to the vulnerable populations—the poverty-stricken, aging, children, and diseased—of rural American, and recognize the fragile nature of its health care delivery system". Further, health care reform must address the lack of capital for renovation and expansion and the lack of qualified staff, which are the main reasons for instability in rural health care.

In reforming our health care system we also need to get rid of the cultural and structural defects. There are troubling statistics that detail racial health disparities for all the major disease categories. Therefore, we must consider race and ethnicity in developing any master plan. Critical items we must address in order to effectively deal with undeserved populations include community-based prevention; screening and early detection; diagnosis and treatment; and family planning, including obstetrical and gynecological care.

As we consider health care reform, we must be mindful that both health options and health care providers are very limited in many parts of rural America. We must increase support for the availability and stability of health care professionals, and expand the concept of neighborhood health centers which focus on preventive measures.

The task ahead of us is monumental, but not insurmountable. I applaud the President and Mrs. Clinton for taking on this challenge. I am eager to work

with my colleagues to ensure that all Americans, rich or poor, in rural, urban, or suburban areas have the health care coverage they need.

□ 1630

Ms. DELAURO. Mr. Speaker, I yield to my colleague, the gentlewoman from Utah [Ms. SHEPHERD].

Ms. SHEPHERD. Mr. Speaker, I am very pleased that the gentlewoman from Connecticut called us together to talk here about this subject. It is an extraordinarily complicated issue that this Congress faces and that the American people are facing, and I am pleased to be a part of trying to make it clear to them. I think the best way to make it clear is to talk about people.

As Congress approaches the unprecedented and exceedingly difficult challenge of overhauling our Nation's health care system, I would like to take a moment to discuss a trend which seems to be growing with alarming speed.

I am referring to subtle and insidious attempts to undermine real health care reform, embodied in the phrase "I support health care reform, but * * *" I am hearing it at every turn—from multimillion dollar ad campaigns on television to alarmist press statements from the health care industry to, sadly, speeches by my colleagues here on the House floor.

They say "not just now" or "not this way" or "not quite yet." But the message from the most important group, my constituents, it has been that we need comprehensive health care reform, and we need it now.

The problems that I hear time and time again in letters and phone calls from my district are not unique to Utah. Across the Nation, families are one job or one illness away from financial catastrophe. Health care costs are spiraling with no end in sight, resulting in personal bankruptcies and prolonged labor disputes which are threatening our Nation's economic competitiveness in a global economy.

Moreover, such flaws in the system as exclusions for preexisting conditions, lengthy waiting periods for coverage at new jobs, and the constant threat of unexpected premium increases or losing coverage entirely have resulted in an insurance system that does not provide assurance for most Americans.

And because inequities in the system pit mom and pop businesses against large firms, industry against industry, and even the youngest against the old, the people who desperately need help often end up paying the most and getting the least. The bottom line is that our families and business lack the basic security they need to be productive, confident contributors to our society.

This morning on the House floor I talked about the plight of my constitu-

ent Robert Anderson and his fellow retirees in Utah. Mr. Anderson worked for 28 years in Salt Lake City as an engineer for one of our Nation's largest high-technology firms, and took early retirement after the company offered a generous set of incentives, including full lifetime health coverage.

But in response to mounting health costs and a recent change in accounting standards, the company has chosen to discontinue its retiree health benefits plan, shifting the burden entirely to retirees and their families. True, Mr. Anderson receives a substantial retirement check each month, but with projected monthly premiums for retired couples nearing \$700, Mr. Anderson expects to receive only slightly more than \$2 a month until he becomes eligible for Medicare.

Two dollars a month. It's understandable that Mr. Anderson and his more than 500 fellow retirees in the intermountain area feel slightly undercompensated for their decades of service. Make no mistake, thousands of others are in similar positions, and thousands more will be soon if we fail to enact prompt, serious health care reform.

The only solace I can offer families and businesses in my district that are experiencing these problems is that help is on the way. Preliminary reports indicate that President Clinton's soon-to-be-unveiled reform proposal will ensure that early retirees to not continue to have the rug pulled out from beneath their feet. But more importantly, by reforming the insurance system, reducing administrative waste, and controlling costs, the plan will return the health security to American families and businesses that they deserve.

Mr. Speaker, my constituents won't accept "I support health care reform, but * * *" any longer. The time for action is now. I urge my colleagues to join me in securing health care that's always there for every American.

Ms. DELAURO. I want to thank my colleague from Utah for really putting a face on this problem and making it so crystal clear that the need is there and that we cannot deal with this issue in terms of numbers and statistics, but it is human beings and their lives which we are dealing with every day. I know of the gentlewoman's fundamental desire to make change in this area, and I thank her for participating in this effort tonight.

Mr. Speaker, I yield to my colleague, the gentleman from Maryland [Mr. CARDIN], who has been a member of the Ways and Means Subcommittee on Health since the 101st Congress. And my colleague is very, very well versed in the need for health care reform and the issues that are going to be addressed in the upcoming debate on health care reform.

Mr. CARDIN. Mr. Speaker, I want to thank my colleague from Connecticut

for yielding me this time. It is extremely important that the American people focus in on the need for health care reform, and that we enact a comprehensive health reform package before this Congress adjourns the 103d Congress. I am very pleased the gentlewoman took this time in order for us to articulate the concerns that have been expressed in each one of our congressional districts.

We have the finest individual health care quality in the world in the United States. If you are fortunate enough to know how to access the system and if you can afford the health care, you will get the highest quality individual care in the United States. In fact, people from all over the world come to the United States for their health care needs, for individual treatment. They come to my own district, to Baltimore, where we have great institutions such as Johns Hopkins University and the University of Maryland Medical Center for their individual care.

But as good as the individual care is in this country, that is how wrong our system of health care is. We need to change the way that we deliver our system of health care in this country, and that is what President Clinton has tried to sensitize the American people to.

Let me put some faces, some real examples which were given to me in my congressional district, and this is true in every congressional district in the country.

I have had a small business person come to my office and ask what he or she should do. They have a health care plan with a small number of employees, and they are afraid to hire a particular employee because someone in their family has a health care need, an extraordinary health care need, and if that person is employed it means that the premium for that small company will double next year. What should that person do?

We have many small employers in my district, and in our district, who cannot find affordable health insurance for their employees. No wonder so many of our small companies today do not provide health care benefits. They cannot find an insurance policy that will not double if someone gets ill in their group, or there will be restrictions on preexisting conditions.

I have people in my district who are literally job-locked, here in the Nation that spends more on health care by far than any other nation in the world, two or three times what our Asian and European friends spend on health care, yet we tell employees in our country you cannot leave your employment because if you go to the next job you will not be able to get the health care you need. There will be restrictions on your preexisting conditions.

□ 1640

What type of a system provides that type of insecurity to the American worker?

I have elderly people who live in my district who depend upon prescription drugs, and yet they have no insurance protection for those prescription drugs. Many are spending \$100, \$200, \$300 a month on prescription drugs, and have no health insurance benefits to cover that.

Many of my elderly constituents cannot get the prescription drugs they need because they literally cannot afford the prescription drugs which they need. Let me tell you that drug therapy will keep them out of hospitals and more-expensive health care facilities, and yet we will pay for the expensive health care costs, the more-expensive costs, but we will not pay for the less-expensive costs of prescription drugs.

These problems are being addressed by the President's proposal which will be up next week. He will deal with small employers and their ability to buy insurance protection for their employees. He will deal with the portability of insurance so a worker can go from one employer to the next without fear of losing his health care benefits. He will deal with prescription drugs in our Medicare Program. He will deal with mental health.

I have a hard time explaining to my constituents the difference between reimbursement for a physical illness and a mental illness. The President's proposal will remove that distinction which makes no sense at all.

I have many employers who have companies in my Third Congressional District who have a hard time understanding. They are providing insurance protection for their employees, but they have a hard time understanding why they have to pay not only for their employees but they have to pay for the people who are uninsured, who do not have insurance, for the employer who does not provide health care benefits because their premiums, insurance premiums, are higher to make up for the uncompensated care. That is not a fair system. The President's proposal will deal with that inequity by having everyone share fairly in the cost of health care.

I have workers in my district who are looking forward to getting a pay raise one day, and when they negotiate and find so much compensation must go to pay for their health care benefits in order to be able to continue their health care benefits. Today we find that the average health care cost in this country is rising two and three times the growth rate of our economy generally. How can you justify a system that is already spending more by far than any other nation on health care?

The President's proposal will deal with that problem by setting up dis-

cipline on how much we can afford to spend in the Nation on health care.

The President's proposal will deal in a comprehensive way with health care reform and will address the problems that have been asked of me by the people whom I represent.

The proposal is being presented to us in such a way that we can add to it and improve it. I hope my colleagues in this House will work together and improve the package to make sure that we address the problems that my constituents want answered.

Let me mention one additional point, and that is the lack of preventive health care in our society, the primary health care needs that are not being met.

I have many children in my district who have no insurance at all; they are in families where the people work but they have no insurance protection. These children are not getting the necessary preventive health care that we need to have a healthy future generation.

They will come into the health care system in a much more cost-producing way for much more intense care later on, because of a lack of preventive health care.

The Clinton proposal will deal with preventive health care, will deal with the training of more people in primary health care; not just physicians, but other health care professionals, to provide primary health care needs of our society.

In the United States we have three times more people trained in high-cost specialty areas than we do in primary health care. No other nation in the world has a higher ratio than 1 to 1. No wonder we find in many of our underserved areas people rush to an emergency room, an emergency room that is expensive, rather than seeing a primary health care professional.

It makes a lot more sense to have these primary health care people in our community.

The Clinton proposal will deal with that problem. As the gentlelady has pointed out, the proposal will deal in a comprehensive way with reforming our health care system so that we can go back to our districts and tell our constituents that everyone will be able to enjoy the high-quality care that we have in this country. We do not want to compromise quality. In fact, we want to enhance the quality of health care in the United States. But we want everyone to be able to enjoy the quality of health care, we want to make it affordable, we want to provide real security to the American worker and to the American family so that we all can enjoy quality health care.

I thank the gentlewoman for yielding to me and for bringing this matter to the attention of the American people.

Ms. DELAURO. Mr. Speaker, I want to thank the gentleman from Maryland

for his passion on this issue. That is really what is required.

I do want to make one comment on the comments with respect to the elderly and prescription drugs. What I found in my district is one of three things happen when a senior goes into a pharmacy: They will present the prescription, they ask the cost; they will either get it half-filled or they will not get it filled at all or, if they do get it filled, they will then maybe during the course of the week not get the proper nutrition, will not get enough food for the week.

So in all of those three cases their health is deteriorating in some way.

This is wrong, this is wrong and it has got to stop. That is what I hope we are about in the next several weeks and months in this body.

Mr. Speaker, I yield to the gentleman from Michigan [Mr. BONIOR], the majority whip. My colleague has been an active leader in the health care debate, and I know he is going to continue to provide strong leadership in the discussion on health care legislation in the upcoming months.

Mr. BONIOR. I thank my colleague for yielding and for her leadership this afternoon.

Mr. Speaker, not long ago I received a heartbreaking phone call from a woman in my district. She called to tell me a story about her parents, and about a health care system that has gone horribly awry.

She asked that I tell her story to other people, and to my colleagues, in the hopes that no other family will be forced to go through what they have gone through.

Four years ago, her father, named William, was working as a plant supervisor in Warren, MI. At the time, he was 57 years old. And like so many other people in my district, one day he got some bad news: The plant he worked for was making some changes. It was downsizing. And his name was at the top of the list.

So after a lifetime of hard work and dedicated service, he was forced into early retirement.

But William needed to work, and throughout the next year, looked for a job. But work was hard to come by. Not many people wanted to hire a 57-year-old man, especially during a recession.

In the spring of 1991, while he was still unemployed, William began to feel sick, so he went to the doctor. The doctor did an exam, took tests, took more tests, and came back with terrible news: William was diagnosed with cancer.

He was scared, but he and his wife, Loretta, thanked God he was covered. They were paying monthly premiums on a health plan he had continued when he left the plant.

So Loretta called the insurance company and let them know about the diagnosis—the insurance company said don't worry, you're covered.

William started treatment, and piled up some pretty big bills.

In November 1991, less than 2 weeks before Thanksgiving, he was admitted to the hospital. He stayed for exactly 1 month.

On the day he was discharged from the hospital, Loretta and William were handed a bill for \$34,000.

Immediately, Loretta handed over her insurance card, and the hospital called the insurance company to verify coverage.

The insurance company said, "don't worry, they're covered." Except for a \$2,500 copayment that William and Loretta would have to pay, the insurance company said it would pick up the tab.

So the hospital signed the bill, and they went home.

But William continued to get worse, and a few weeks later, as the family was celebrating Christmas, William died. Loretta buried him on New Year's Eve.

In the month that followed, she took the health insurance and other benefits out of her husband's name, and put it in her name.

One day in February 1992, while she was still grieving her husband's death, Loretta got a letter in the mail. It was from the hospital.

She opened it and was shocked to find it was a bill for \$34,000.

The insurance company had never paid the bill.

She thought there had to be some kind of mistake, because the insurance company said they'd pay it.

So she called the insurance company and they said: No mistake. You have to pay the bill yourself.

Her husband's policy it turned out, had a lifetime maximum of \$30,000, which he had exceeded earlier in the year.

In all her dealings with the insurance company, nobody had ever mentioned it to her. When she asked why, they said it wasn't their policy to discuss plan details over the phone.

They said it was her responsibility to know how the plan worked.

She called her husband's old company, and asked why she was never told. The company said tough luck if she didn't know. Employees were told about the policy.

She called some of her husband's former coworkers, and they all said they had never heard of the lifetime maximum.

It turns out that her husband's company had them all sign their health care agreements before they ever got to see the booklet explaining how it worked.

So she was stuck with a bill she couldn't pay and a policy she didn't understand.

She hired a lawyer, but the lawyer dragged his feet.

The insurance company wouldn't return her calls. And when she did get

through, they chastised her and they blamed the whole thing on her.

In the summer of 1992, the hospital sued her for payment.

They put a lien on her house.

They put a freeze on her few assets.

And she was forced to declare bankruptcy.

But the hospital wouldn't let her declare bankruptcy, so she petitioned for a hearing.

More than a year later, on the day before she was scheduled to appear in bankruptcy court, Loretta got another letter in the mail. A letter from the insurance company. A letter notifying her that the \$34,000 hospital bill had been paid in full.

No explanation. No reasons for the delay. No nothing.

After 2 years of getting threatened, being humiliated, and having her character assassinated, the insurance company finally paid a bill it said it would pay 2 years before.

And what does Loretta have to show for it?

She has no money.

Her credit is shot.

Bills are piled up.

She's developed an ulcer and high blood pressure.

She let her health insurance lapse, because she couldn't pay.

Creditors put off for the past year are now lining up.

And today, she's a 57-year-old widow looking to reenter the work force and facing the same rejection her husband found 3 years before.

In short, her life has been ruined.

All because her husband died of cancer.

And she still doesn't know why it all happened.

Thank God she's a strong person. Thank God she's a survivor. Thank God she's able to carry on with her life.

Mr. Speaker, this, in a nutshell, is everything that's wrong with our health care system today.

Here you have a family who worked hard and played by the rules, who did everything that was asked of them.

They paid their health insurance premiums on time, they paid them in full, and they only asked that their health insurance be there for them if they really needed it.

But when the time came, and they needed the health insurance that they had spent years paying for, they were left out in the cold.

Mr. Speaker, nobody deserves to be treated like that.

As bad as this story is, the scary thing is, it could happen to any one of us. We are all at the mercy of the insurance companies. Today it was Loretta—but tomorrow, it could be my family, or your family, or any one of us.

Mr. Speaker, I wish this was the first time I heard a story like this. I wish I could believe that this wasn't happening to other people.

But we all know this kind of thing is happening every day.

I know I'm not the only Member of this body who gets phone calls or letters like this week after week, month after month.

They come from people who are frustrated, who are frightened, and who are fed up with a system that makes no sense; that provides no coverage at crucial times; and that does nothing to protect them from price gouging and rising costs.

They come from people whose very idea of security is being shattered before their eyes.

When Loretta's daughter told me her story, she said:

I hate to tell you all this because we're proud people. But we just want to make sure this doesn't happen to other families. And if it does a bit of good to change our health care system, it will have been worth it. It will give meaning to my father's death.

Mr. Speaker, how many horror stories do we have to hear before we take health care reform seriously?

How many stories will it take to convince us that we can't just tinker around the edges—that we can't just fool around with a few adjustments here and there.

How many stories will it take before we understand that nothing short of comprehensive reform of our health care system from the bottom up will make it work again.

The American people have already spoken on this. Last November, they asked us to change the health care system, they voted for that change, and it's time that we get on with that change.

That is what many of us were sent here to do.

Someone once said that gravity isn't easy, but it's the law. Health care reform won't be easy, but it's the law most of us will be judged on. And we'd better get on with it.

I give the President a lot of credit on this issue. America has talked about health care reform for over 50 years, but Bill Clinton is the first President since Harry Truman to make health care reform his cause.

Later this month, the President's health care reform bill will be before this body. And for the sake of America's future, we must make health care reform our top priority.

While we don't know all the details of the President's plan yet, the general goals are clear: Savings, simplicity, choice.

But above all, security.

We must provide Americans with the security of knowing that no matter what happens—whether they switch jobs, lose their jobs, get laid off, or have a preexisting condition—they and their family will never lose their health care coverage.

Mr. Speaker, Loretta isn't the only person who saw her security shattered before her eyes.

Not long ago, I read a letter from a man from Hazel Park, MI, who wrote that 14 years ago, he was diagnosed with Hodgkin's disease.

With the help of a strong will and some good doctors, he fought it, and by 1985, was pronounced cured—cured by everyone but his employer's insurance company, who refused to cover him because he was a bad risk.

So, after 15 years on the job, his boss was forced to lay him off, just because the insurance company wouldn't cover him. And now he has no job—and he, his wife, and his two children have no health insurance.

The other day I heard a similar story about a man who desperately wanted to change jobs, but he couldn't. It turns out he had a son with Down's syndrome, and if he changed jobs, the new company's insurance wouldn't pick up the tab.

Down's syndrome, as people know, is a preexisting condition. And now, after working hard and succeeding to the point where other companies are ready to give him a promotion, he's locked into his current job because of health insurance.

But what if something happens to the company he works for?

What if he's laid off?

What if he loses his job?

What does he do then? Pay thousands of dollars a year to continue his coverage? Or drop coverage altogether and hope for the best?

It's an impossible choice, but millions of people make these choices every day. Every single month, 2 million people lose their health coverage. Over the next 2 years, 1 out of every 4 Americans will be without health coverage at some point.

In 1990, more than half of the uninsured were full-time workers and their families.

One woman, whose family lost their health insurance after her husband lost his job, summed it up better than any of the pundits. She wrote: "I'm not looking for a handout. But when middle class, skilled trades people can't make it, something's wrong. We need help with health care. It's urgent now."

And she's right. It's time we provide people with the security and peace of mind to know that no matter where they go or what they do, their health care will always be there for them.

Nothing we do in this Congress will be as important. Nothing we do will be more long-lasting. Nothing we do will touch the lives of more people than health care reform.

I hope we all have the courage to do what is right. Because the future of our children and the future of our country depends on it.

□ 1700

So, Mr. Speaker, I hope we all have the courage to do what is right because the future of our children and the fu-

ture of our economy depends upon it, and I thank my colleague, the gentlewoman from Connecticut [Ms. DELAURO], for giving me time this afternoon to share with her and my other colleagues some of the horror stories and some of the phases of health care that I have personally seen and heard of in my congressional district.

Mr. Speaker, I could go on into the evening on this, on other tragedies. We all know what they are like. We all know who is affected. It is time we get on and we did it, just like the commercial: Just do it.

Do it now.

Ms. DELAURO. Mr. Speaker, I want to thank my colleague, the gentleman from Michigan [Mr. BONIOR], not only for his comments tonight, but for his really extraordinary leadership on this issue.

Mr. Speaker, the gentleman from Michigan [Mr. BONIOR] made the point that it is an incredible story. It is not a story; it is real life. And the fact is that it is just multiplied in everyone's district, and, as someone who has been diagnosed with cancer, let me say: For yourself, and for your family, the thing you are thinking about at the moment when you have to face what is going to happen to you is that you are thinking about whether or not you are covered by your insurance company. You want to know, your family wants to know, are you going to be able to survive, are we going to be able to conquer this, are we going to be able to cope with this, and to have the added burden then of an insurance system that fails you at this moment; the havoc it plays with people really is unconscionable.

Mr. Speaker, that is the kind of thing that we have to turn around. That is what our mission has to be here, an understanding of people's lives and what we have to try to do about it.

I look forward to working with the gentleman from Michigan [Mr. BONIOR] in the months ahead. I know we will do more of these evenings, and I will be calling on my colleagues to talk about this issue and urge my colleagues to take this on as their mission, to change our health care system, and I thank the gentleman from Michigan.

Mr. Speaker, I yield to my colleague, the gentlewoman from Maryland [Mrs. MORELLA], who would like to address a health care related issue as well.

Mrs. MORELLA. Mr. Speaker, I thank the gentlewoman from Connecticut [Ms. DELAURO] for this special order and for allowing me this particular time to talk about an element of health care. But, as I was listening to the discussion, there is just no doubt that in all of our districts in this country we are hearing about health care reform, a health care plan that is affordable, accessible and qualitative, and we need to come up with a plan that is not partisan. It affects all people.

As I listened to the majority whip speak and the comments of the gentlewoman from Connecticut following that, I was reminded of the fact that I have a daughter who is, as a matter of fact, living in Connecticut who had twins born prematurely at 26 weeks, and one of them has required major surgery. As preemies, Mr. Speaker, one was 2 pounds 8 ounces, and one was 2 pounds 10 ounces. One of them has required many different operations because of water on the brain. We have no idea whether or not the health insurance is going to cover it. We have not had a chance to even think about the magnitude of it because of the immediate health concerns. This is one of many different instances where there is a great need to come up with health care reform.

I also want to comment on women's health issues. It is interesting that the gentlewoman from Connecticut [Ms. DELAURO] has this special order at a time when this morning we had a press conference on the women's health equity package which has 32 bills in it and the plea also that this health care reform package be equitable to women and include the full range of reproductive health care also. And just before the special order we had a commemorative. It was to commemorate October as Breast Cancer Awareness Month. It was House Joint Resolution 11, one that I am a strong supporter of and a sponsor of, and it is certainly appropriate that, as we consider that resolution and as this special order on health care is taking place, that members of the National Breast Cancer Coalition are lobbying for the development of a comprehensive national strategy to end the breast cancer epidemic.

Mr. Speaker, I certainly urge my colleagues to join in this effort, and I want to again commend the gentlewoman from Connecticut [Ms. DELAURO] for allowing me this time to make comments on this issue.

Ms. DELAURO. Mr. Speaker, I want to thank my colleague, the gentlewoman from Maryland [Mrs. MORELLA], for her courage of talking about her own family and their circumstances and the issue of breast cancer. Part of what has got to be a part of the health care reform system is emphasis on preventive care and as it has to do with cancer, with other diseases, so that we place our emphasis in an area where we can begin to do the screening and the detection, so that we can, instead of just addressing an issue in a crisis or an illness in a crisis, be able to try to do the prevention that we know we can do if we focus our time, and our attention and our resources at the first part of the process, and whether it is for breast cancer, or ovarian cancer, or childhood immunization so that we can make sure that every child in this country is immunized, these are the focus and the directions that we have.

I am optimistic, I am encouraged, and I think we do have the courage within this body to move forward on a comprehensive health care package that provides security to all people in this Nation and provides quality health care that is affordable.

THE ANIMAL ENTERPRISE PROTECTION ACT

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. GEKAS. Mr. Speaker, I simply want to introduce a bill which I think is important to all of the Members.

Last year, Mr. Speaker, we passed the Animal Enterprise Protection Act of 1992 which emanated from the Committee on the Judiciary in response to a violent wave of the last few years of terrorism exerted against agricultural and scientific research facilities by the extremist animal rights groups that took it upon themselves to do these vicious acts. Well, we have learned that as a result of that act which we passed in 1992, which also called for a further study of the impact of these terrorist animal rights attacks on these facilities, we have learned, as a result of the report which was issued, that this kind of terrorism has been, unfortunately, extended, and more incidents are coming through statistically every day, extended to not just the exhibits, the agricultural exhibits or the scientific research centers, but also to the homes and the properties of individuals who are engaged in this research or animal exhibits throughout the country, a wilder step than we ever thought would be undertaken by the animal rights terrorists.

So, Mr. Speaker, today I am introducing a bill to extend the coverage then that we intended for these kinds of activities under the original act to include protection for the individuals, and the researchers and the agricultural people in their homes and their properties even though they be miles away from the research facilities and agricultural compounds which we had protected under the act of 1992.

□ 1710

I will introduce this legislation today and ask for cosponsors to put an end to this kind of activity.

JOBS BILL NEEDED NOW

THE SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS. Mr. Speaker, this Congress is moving into its final place for this session. Between now and adjournment, there are many items on the agenda. But more important than the specific items on the agenda is the fact

that a whole tone is going to be established, a whole new mindset, for the way we are going to approach the next 4 or 5 years.

It is important to note that and to understand how important it is to come to grips with certain issues now and see to it that as we move into a process of dealing with very important bills, like the National Health Program, as we move into dealing with the North American Free-Trade Agreement, as we move into a process of cutting more out of the budget, a process which certainly could be a devastating one for the American people if we are not careful. I think we should stop and consider and remember what happened this past summer during the recess.

All of us went home. All of us had a chance to get closer to our constituents. All of us have had some sense of what people want, and that is about all it is, a sense of what they want, because they are not the experts. We are supposed to be the experts in government. We are supposed to be able to point the way and direct energies and resources of our Nation in a certain productive manner.

The people out there are basically angry. I certainly found plenty of anger in my district. The anger seems to have intensified because of the fact I found a great deal of disappointment, and I was a cause of a lot of that disappointment.

I told the people who gathered around my office as I come and go and always ask me about jobs, I told them that there was some help coming, that they were going to be able to finally provide more jobs for people. I told them that as soon as we got a new administration, a Democratic administration, I told them in more detail last spring as we contemplated the stimulus package which the new President had placed before the Congress, that here it is, that specifics were in that package. It called for the creation of new summer jobs, about \$2 billion in additional funds.

What it would have meant for New York City was a doubling of the number of jobs that could have been provided for youth during the summer. It meant that twice as many young people in my congressional district would have been able to get summer jobs as were available to get jobs after that stimulus package went down.

So I, in contemplation of the stimulus package that made a lot of sense, I told them that some relief was coming.

There were also jobs for adults, jobs and very important services. If we had increased the Head Start Program, starting with a summer program for Head Start, not only would it have provided jobs for teachers and paraprofessionals, but the custodians that clean the building up and the people that prepare the food. There was a whole range of jobs that would have been provided while we were meeting another

objective, and that objective is to help prepare children to be ready for school when they start school. The Head Start Program meets that objective, which is one of our first education goals.

So while we were meeting that education goal in an area where there is a great need for more day care, Head Start Programs would help children prepare for school before they start school, and we would also be providing jobs. It made a lot of sense, and I said it might happen. I thought very certain it would happen at one point.

Then it all faded. The stimulus package was filibustered away. I think it was a very cruel act by the other party in the other body. At the same time, I think perhaps our own leadership of our own party surrendered too soon.

I certainly think some parts of the stimulus package could have been saved. We could have had at least the concrete jobs, like the jobs that Head Start would have provided, like the summer youth employment jobs. I think they could have been saved, had we not surrendered so rapidly and caved in with such timidity.

But the result of it all was that not very much changed. This administration has come. The people who were unemployed before, a very high unemployment rate among youth, 30 to 35 percent, has been there the last 11 years. The whole time I have been in Congress it has not changed. The high unemployment among adults, things have only gotten worse.

In New York City alone, unemployment has gone up to 11 percent. It has always been concentrated in my congressional district, with a large number of poor people. So things have gotten worse under the new administration.

Can we be surprised that they are angry, these unemployed people who have been unemployed from one administration to another? They see no change. On the horizon there is nothing planned. There is nothing in the works down here that I can point to to say we are finally going to get some relief from the joblessness.

In fact, it is only worse. The people in my district at least know how to read, and they read the paper and know that IBM is laying off people now; Kodak is laying off people; other large corporations are laying off people. Many of these are middle management people, clerical people. A lot of people who were lucky enough to have jobs before are not going to have them this time next year. So the anger they feel cannot be relieved with any hope.

I am certain that among the Members of Congress, this scenario is played out many times. There are probably very few districts where there is not a great degree of uncertainty about employment for the future, and it is now increasing.

So it is a very serious problem, where the jobs issue looms so large, and there

is very little on the horizon to relieve it. No job creation programs are being proposed. As we move through the authorization process for the defense budget, and soon we will have the appropriations process for the defense budget, the one place where you could certainly realize large savings and provide funds for jobs, there seems to be no budging in terms of this administration, no proposals to really make the kinds of cuts that are necessary. At the same time, more budget cuts are being proposed.

I would say perhaps there is some hope that we will get a jobs program together and there will be some funding, that a new stimulus package might come. But, no, we are only contemplating some special consideration of additional budget cuts.

There are obviously budget cuts that we could have been making this week and last week, since Congress came back from recess. We had obvious opportunities to make some tremendous, significant budget cuts. And those funds have been squandered. We do not seem to be in a mood really to make the cuts where the money is.

Mr. Speaker, we have just passed today a bill for the RTC, the Resolution Trust Corporation, to complete its work, \$18 billion additional money. As to the total, I will quote from the Washington Post, because these figures shift. Everybody has a different figure. But, Mr. Speaker, common sense will tell you it is a lot of money, because we are talking about hundreds of billions of dollars.

The Washington Post said that the amount of money that was voted by this Congress today, by the house of Representatives today, will probably bring the total cost of "sanitizing"—they call it "sanitizing"—the S&L situation to \$165 billion. In other words, they are saying \$165 billion has been appropriated to date with this new infusion. That is their figure. As I said before, it depends on how you look at it.

Since this \$165 billion is off budget, it is borrowed money. In other words, not wanting to confuse anybody here, just think of what the interest rate on \$165 billion would be over 10 years, and you will know that the total cost is much more than \$165 billion.

□ 1720

It is all borrowed money that has to be paid back. So you have to figure the interest rate, which leads a number of experts, over the last few years, to use the figure of \$500 billion as the total cost for the S&L bailout, the S&L swindle, the savings and loan swindle of the American people.

That means when it is all done, about \$500 billion of the American taxpayers money will have been paid into the situation to make up for the money that was taken out of it by people who were

incompetent or corrupt and probably both. And it is almost indistinguishable in the banking business. Anybody who is incompetent in a business that is very tightly controlled, with tight rules, incompetence very rarely is the problem. It is usually some form of corruption that you are dealing with.

The corruption caused the failure of the savings and loans to the tune of \$500 billion bailout with \$165 billion to date authorized and appropriated.

I am going to quote just one paragraph from the Washington Post. It says:

This bill would provide \$18 billion in clean-up funds, a final installment of what will probably be a total cost of about \$165 billion to sanitize the S&L's, eliminating the bankrupt, the derelict, and the fraudulent institutions that will restore the industry to viability. If Congress acts promptly, the cost can be finished this summer.

This is the Washington Post, before the debate took place today. It was apparent, during the debate today, that this job will not be finished this summer, that it will be a long time before the S&L swindle, scandal is fully resolved. That is why it is going to cost us \$500 billion instead of \$165 billion.

During the debate it was also pointed out that there is a probability, and the experts inside the banking industry are saying, they will not say it publicly, loudly, but that we did not really need to use any more taxpayers funds for this purpose, that you could have found some other way to do it, borrowing against the assets of the savings and loans operations that have been taken over, establishing a premium on the S&L's and the banking industry in general and letting the banking industry pay for its own problems or for the cleanup of the remainder of the problems that they created.

These things could have happened. And instead of you, the taxpayers, having to ante up another few billion dollars to clean up the situation, they could have taken care of it themselves.

If you are angry, if people are angry about Government, I can understand it. The problem is, you ought to target your anger specifically at the specific outrageous situations. Here is one. Savings and loans cleanup is one of those specific situations where the outrage of the American people should be targeted.

You should understand fully the implications of this whole swindle, which is probably the largest swindle in the history of mankind, the largest swindle. The Teapot Dome scandal, the Suez Canal scandal, all the scandals that have ever taken place with Government involved and the financial industry involved, all of them together do not add up to the amount of money that was taken in the savings and loan swindle.

Yet, it has been handled in a way which has not aroused the outrage of the American people. You do not hear

the talk show hosts, your favorite talk show host seldom talks about the savings and loan scandal. You do not hear any discussion of the fact that billions of dollars were stolen, and very few people have been prosecuted.

In the process, yes, the taxpayers must pay for the stolen, make up for what has been taken. The Federal Deposit Insurance Corporation was established for that purpose. The depositors do not lose. One way or another, of course, we would not let the depositors lose. But there is no reason why, in the process of restoring what has to be restored for the depositors, we cannot also make certain that those who stole the money are punished, that crime does not pay.

This is a situation where white collar crime has paid billions, billions. Yes, they got Mr. Keating. Keating was the worst offender. Mr. Keating is responsible for a minimum of \$2 billion of taxpayers money having to be used to replace what went out of his banks.

Mr. Keating was such a monster, so widely publicized that, yes, finally, he was convicted and given 12 years. I will not talk about what is a just sentence, if you steal \$2 billion, are responsible for \$2 billion being taken, whether 12 years is a just sentence or not. But at least he was convicted. He was sent to jail.

Thank God for the State of California, which took the initiative, prosecuted Mr. Keating before the Federal Government prosecuted him. They prosecuted him because beyond the \$2 billion, Mr. Keating also stole hundreds of thousands of dollars from senior citizens who were induced into coming to his bank and buying some stock in the bank that was not federally insured. They thought they were buying some shares that were insured, and they were not insured. So the State of California took him to court and put him in jail before the Federal Government. The Federal Government was embarrassed to have to come along and prosecute Mr. Keating after the State of California prosecuted him.

The record of the Federal Government, our Justice Department, under the Bush administration, is a dismal one. And it appears that there has been no escalation of prosecutions and convictions and recoveries under this administration, although it is hard to tell since this administration has been in power only for 9 months.

Let us look at some statistics of concern.

The American people are having to bail out savings and loans, the scandal, to the tune of \$500 billion. Yet, over a 5-year period, the people who were responsible for this monstrous scandal, this dinosaur scandal, the biggest of all time, over a 5-year period, a recent report, issued by the Justice Department, which brings us up to March 31, 1993, it is entitled "Attacking Finan-

cial Institution Fraud, Fiscal Year 1993," sent a report to the Congress of the United States from the U.S. Department of Justice.

They talk about the savings and loans, the indictments related to the savings and loans swindle. The indictments involve \$9,292,000,000. The indictments were related to cases that involved that much money, \$9,292,000,000.

One might ask the question, if we have appropriated \$165 billion to clean it up and the estimate is it is going to cost us \$500 billion before it is all over, why have we only had prosecutions related to \$9 billion of the \$165 billion that has been lost. But that is one question.

But of those cases that have been prosecuted, only \$9 billion, not only \$9 billion, a lot of money, \$9,292,000,000. In these cases involving this \$9 billion, 1,475 defendants were charged. Of the defendants charged, 1,475, and your arithmetic is good enough to quickly process this, only 771 were sent to jail, 771 sent to jail.

You can see that is about half of those who were charged. Fines were imposed for crimes which amounted to \$9 billion, fines were imposed amounting to \$17,614,000. They were fined and restitution was ordered amounting to \$628 million.

Now, do not let the figures make you dizzy. Millions, billions. The people who were responsible for stealing \$9 billion were fined \$17 billion, and they were ordered to restore \$629 million, not even equal, when you add it up, to \$1 billion.

□ 1730

This is just a small part of the total situation. Does crime pay? Yes. We have let crime pay. If you are angry at the way your Government is being run, here is a specific instance, a specific situation that you ought to focus your anger on. You ought to call your talk show host and ask him why doesn't he talk about the fact that billions of dollars were stolen from the American people, because we have to replace it as taxpayers, and so little was done about recovering the money, so little has been done about prosecuting those who were responsible, so few have gone to jail.

I will not even check to see what kind of sentences were given, but we can see from the paltry amount of money that they were fined and the amount of money that was recovered, there has been no great passion related to what the Justice Department has been doing.

If we move to the FDIC, and these are cases that were prosecuted, people were indicted, there were other cases where people were not indicted but collections have been made. In addition to those cases, plus this, altogether the FDIC has collected \$1.8 billion as of last April, 1993.

Out of a situation where we have had to appropriate \$165 billion to recover, we have collected \$1.8 billion through the FDIC's efforts, and the RTC, the Resolution Trust Corporation that we have funded to the tune of many billions of dollars, they have collected \$363.6 million; about \$2.2 billion collected by a process not related to the Justice Department indictments.

If you are angry, you have good reason to be angry. Our Government should have started reinventing itself by dealing with the S&L crisis. The RTC should have been the first target for the reinvention of government, to save taxpayers' money; \$18 billion, the Washington Post said, but actually the bill was down to \$16 where you ought to target your anger.

Let us look at what has happened in the past week, yesterday and last week, with the defense authorization. We are in a situation where pledges have been made to make additional cuts in the budget. Pledges have been made to bring the budget down below where it was when we voted on the reconciliation package. The first opportunity to begin making those cuts was in the defense authorization bill, where there are large amounts of money available to be cut. The defense authorization bill was up and still is under consideration, and then we have another opportunity in about 2 weeks on the defense appropriation bill.

Here is an area where you ought to challenge every Congressperson who says they are sincere about making cuts, ask them the direct question:

How did you vote when the opportunity to make these cuts came up? How will you vote when the opportunity returns again on the appropriation for the defense?

There is a lot of information available. You don't have to wade through very technical documents to find out exactly what is at stake, how much money is in the defense budget, how much is really probably waste, how much is dedicated to the cold war that is already over, and how much is really needed to take care of conflicts that are going to break out.

You don't have to be a genius now to figure out some of these things. There is a lot of help you can get from various publications that are around.

Mother Jones, in its September-October issue, has a very straightforward, simply written article which I would commend to the Members. They start by saying that:

There are statements being made by the Democratic leadership that we are going to cut the defense budget. Immediately the Republicans are blowing those statements up out of proportion and saying that we are going to gut the defense budget. Neither these statements by the Democratic leadership nor the statement by the Republicans is correct. Nobody is really proposing any drastic cuts of the defense budget.

I quote from the Mother Jones article in the September-October issue:

Don't believe the hype. The administration plans to spend \$1.3 trillion on the military over the next five years, nearly \$14,000 for every household in America. The national defense budget will only decline from \$290.7 billion in 1993 to about \$230 billion in 1979.

Conservatives decry cuts of 40 percent from Cold War heights, but the reductions follow the feeding frenzy, of course, of the high budgets of the 1980s when Reagan bloated military spending by 50 percent in real terms. At the end of this century, this bureaucratic binging will leave military spending at levels roughly comparable to those that Richard Nixon and Gerald Ford thought necessary in the midst of the Cold War.

At the height of the Cold War, the period considered most dangerous, we are going to be spending, when this whole reduction of the defense, according to what the administration is proposing, is finished, we are going to be spending just as much money then as we were spending in the midst of the Cold War under Nixon and Ford.

To quote another paragraph from the Mother Jones article:

The most important security concern really for Americans is what they feel as they walk through a city at night. That is not a problem for the Army. Another important security concern is that other countries have better-educated, better-trained work forces. This is not a problem for the Army. We need a military capable of defending us, but we no longer need Cold-War-sized forces.

To continue to quote from the Mother Jones article:

but a bloated military budget is the most costly, least efficient public works program imaginable.

They are answering the charge that is being made that we cannot afford to cut defense. When we cut defense, you are going to be cutting jobs.

A bloated military budget is the most costly, least efficient public works program imaginable. Under the most generous estimates, each job generated by the military budget costs about \$50,000 per person. We waste scarce resources and the talents of our most skilled workers and scientists making weapons we no longer need, while we starve investments that we cannot do without.

After reviewing a range of economic models, the Congressional Budget Office concluded that reducing military spending and reinvesting in savings at home could generate more jobs, fuel greater growth, and create better prospects for the next generation.

If you are angry, then direct your anger at policy-makers and legislators who keep insisting that we need to continue to fund certain weapons systems in order to provide jobs; that these weapons systems are necessary to provide jobs.

Why are we streamlining Government? Why are the Vice President and the President reinventing Government? To cut down on the number of workers in Government? Because we do not think the Government ought to provide jobs for people. The Government is supposed to provide services, and when they are not needed, those jobs should be cut.

I agree with that 100 percent. We do not want make-work Federal Govern-

ment. We do not want a make-work bureaucracy for the Federal Government. Why do you want the military to provide make-work situations which are very expensive, \$500,000 per person?

The people who want to re-fund or build another *Seawolf* submarine in Connecticut, a *Seawolf* submarine costs about \$2.3 billion. Just use your common sense. You don't have to be a genius to figure this one out. To build a *Seawolf* submarine costs \$2.3 billion.

A *Seawolf* submarine cannot be used for anything except warfare. A *Seawolf* submarine has no other use. We would not want to convert a *Seawolf* submarine into a tourism vehicle. You cannot have people taking joy rides on *Seawolf* submarines, because they go under the water. It is too dangerous. The insurance would be fantastic. Why go into that kind of thrill seeking, going deep under the water, just to make us of a *Seawolf* submarine in some civilian way?

It will have no use. We will not fight a war with any opponent who acquires a weapon like the *Seawolf* submarine. That is pretty much admitted.

The argument that is being given for the re-funding of the *Seawolf* submarine program, the funding of another *Seawolf* submarine, is that we need to keep the technical skills alive and the technology alive which is involved in a *Seawolf* submarine.

□ 1740

Now if you are a sophomore in high school, whether you have taken a science class or not, you have heard a little bit about how fast-paced technology goes, how rapidly we are moving in terms of new technology. The likelihood that the *Seawolf* technology is going to keep pace by building another is nil. And why do you want to keep the same technology which we know from experience will be obsolete in a few years because new kinds of engines are being invented, new metals are being invented? You know, there is a whole series of things that are happening that will make the *Seawolf* technology obsolete, whether you build another one or not.

But what is the argument being used? The real argument is that the *Seawolf* submarine will provide jobs for the workers in Electric Boat shipyards in Groton, CT. Yes. And I think they ought to have jobs. I think that everybody deserves a job. I think that where our country should go now is we ought to declare war on unemployment and talk about providing jobs for every American who wants to work. That is the real goal.

So providing jobs for a handful of workers, relatively small number of works on a *Seawolf* submarine would not be considered acceptable if we were concerned with an employment policy instead of a situation which leads us down a blind alley, a dead-end street.

What we should be concerned with is providing employment for the people of Connecticut who are unemployed. Yes, the *Seawolf* submarine workers might have to take a pay cut, but if you have other kinds of jobs, you could provide twice as many jobs. The most conservative estimate is that for every dollar spent on defense you can provide twice as many jobs spending the money on civilian projects as you can providing a weapons systems for defense. So you can create twice as many jobs for the State of Connecticut by giving the State money, \$2.3 billion, and saying provide employment for as many people as possible doing productive work. If you need to build schools, build schools. If you need to build roads, build roads. If you need a better health care system, more workers for preventive health care, more technicians, train them and use them, because for as long as there are human beings we know their skills are going to be needed.

There are many ways to provide jobs if you are going to have an expenditure of \$2.3 billion. Use your common sense.

They are talking about another aircraft carrier at a cost of \$3.5 billion. I mean another aircraft carrier. The only reason we are building another aircraft carrier is to provide employment for workers who work on aircraft carriers.

Let us provide jobs for that area, Newport News, VA. That is where they build aircraft carriers. Let us give Newport News and the surrounding area, plus maybe the State of Virginia, give them \$3.5 billion and say create jobs that are useful and productive. It is a far better expenditure.

If you are angry, if you think your Government is stupid, here are examples of where we are stupid and clinging to the stupidity stubbornly. We refuse to budget at all.

I am going to quote one more quote from the Mother Jones article.

The great British historian, Arnold Toynbee, concluded that great civilizations, like dinosaurs, decline because they cannot adjust to a changed world. The world has surely changed. Now the choice is ours.

You have a right to be angry at the new administration, to be angry at the Congress and your Senators and angry at everybody who is clinging to the old world while the number of people who are out of work increases. You have a right to be angry while Sears lays off people, IBM lays off people, Kodak lays off people. There is an escalation because when these big companies lay off people, the kind of services that they were paying for in smaller companies will lead to reductions in jobs in those companies, and any fool I think, any sophomore in college can tell you that if they are laying off large numbers of people that in a few years we will be in a real Great Depression that no amount of economists can camouflage. That is where we are going.

It is time to be angry. It is time to make some demands. It is time to focus that anger, and not on trivial things. Let us focus it where the billions are, and the billions are in the S&L swindle, and the billions are in the defense budget. The billions are in the CIA.

We had an amendment at the time the Intelligence budget was on the floor, and never mind what the amount of money we are spending. The New York Times says we are spending \$28 billion on Intelligence programs. We do not know exactly what the figure is because those of us who wanted to criticize the CIA did not want to go and look at it and be hemmed in by a code that requires that you not discuss the budget of the CIA and the Intelligence program in detail. But the New York Times estimated \$28 billion. And we were on the floor with an amendment to cut it by 10 percent per year over the next 5 years, 10 percent of \$28 billion; \$2.8 billion off of \$28 billion.

During the cold war, while we were fighting the Soviet Union, and we needed the spies, and we needed the satellites, we needed everything, that is over now for at least 3 years. Why do we still need to spend \$28 billion? Why can we not cut it by 10 percent?

Who are the Congress persons who voted against it? Only 104 voted for the cut. So ask your Congressman: "Why didn't you take that opportunity to save money that could be used for a job-training program, for a program which creates jobs?" There are numerous ways to create jobs in productive ways. We still need roads, bridges, we still need to build schools. We still need a health care system that is going to require more money but will employ large numbers of people. It is not designed to provide jobs. The health care system, the National Health Insurance Program will provide services that are vitally needed, but in the same provided services it is going to provide new jobs. It may cut out white collar jobs for people in the insurance industry, but it is certainly going to increase the number of people who are actually providing the services in health care.

Do we need it? The New York Times Magazine of Sunday, August 2, 1993, did a rather lengthy article called "Cold War Without End: America won, but you'd never know it from all of the efforts still expended on fighting the Evil Empire," by Thomas L. Friedman. They have an elaborate set of charts and discussions of specific ways in which we are still spending money to fight the Communists, to fight the Soviet Union, and it is clear that the money is not needed.

If you want to look at the problem in any detail and be able to challenge the policymakers, challenge your Congressperson, challenge the people that you are angry at in some specific way, then call your talk show, your fa-

vorite talk show host and ask him why he does not talk about the fact that we are spending billions of dollars to fight communism and we are still spending billions of dollars on intelligence operations that are not needed. We are still spending on *Seawolf* submarines, and we are still building aircraft carriers that are not needed. Ask your favorite talk show host to get serious, and stop arousing your sentiments and getting into intensely emotional areas about trivial things that happen here in Congress.

Ask your Congressman how he voted when Representatives DELLUMS and DEFAZIO offered an amendment last week which would cut in half the amount of money being spent for star wars. What is star wars? Star wars was a suspect effort from the very beginning. The majority of the scientists in the United States said it would never work. Star wars was supposed to stop missiles from coming from the Soviet Union. Only the Soviet Union had intercontinental ballistic missiles, and only the Soviet Union was the threat, and they were supposed to be able to stop them from penetrating the atmosphere in the United States. It was always dubious, never successful. Recent articles have shown that phony tests were conducted. They rigged the tests to make it appear that there was some possibility that they could successfully create such a program.

Nevertheless, disregarding all of that, when the chairman of the Armed Services Committee, the chairman himself came before the House and said we need to cut \$1.5 billion from this star wars program, not wipe it out completely but cut \$1.5 billion, which is about half. It still has about \$3 billion being spent for programs that everybody has agreed will reap, will produce no useful results. Everybody is agreed that star wars is not needed. There are new names that have been assigned to it. It is called the ballistic missile defense. Yet when the chairman of the Armed Services Committee came before the House and said we should cut it by \$1.5 billion, it failed, his amendment to cut the budget by \$1.5 billion failed.

□ 1750

Ask specifically your legislators, your Congressperson, "How did you vote when this opportunity to cut \$1.5 billion was before you?"

Mr. Speaker, \$1 billion is a lot of money, a billion dollars is a lot of money, and now they are cutting out perks from Congressmen, parking at the airport, charging more for haircuts, and all of that which may have some validity. They are taking care of that, they have saved a few pennies. Yet here we are talking about \$1.5 billion.

Mr. Speaker, the gentlewoman from Colorado [Mrs. SCHROEDER], was trying

to be a little more conciliatory, she wanted to only cut \$200 million, to decrease the budget for star wars from \$3 billion to \$2.8 billion. And she would use the money that was saved for the technology reinvestment project, which would lead to the creation of research and development for new jobs. Her amendment failed. It was voted down.

Ask your Congressman how he voted, focus in on these billions. That was just \$200 million, but it all adds up.

Later, Representatives DELLUMS, PENNY and WOOLSEY—and DELLUMS, again, is the chairman of the Committee on Armed Services, he is the head of the committee, and he wanted to save \$1.2 billion by changing the procurement for the D-5 missile, which is intended for the Trident II submarine. Again, the submarines are used to fight superpowers. The only superpower we would need a submarine to fight no longer exists, the Soviet Union. Why do we need D-5 missiles for Trident submarines? DELLUMS said you could cut that by \$1.2 billion. It was voted down.

There were a few other amendments related to making billion-dollar cuts, reduction in our forces throughout the world. You know, we are closing bases in the United States, which impacts on the economies of our local communities. I say why are we rushing to do that before we close the bases overseas?

Let us protect our own economy, and let us pull back some of the \$100 billion we are spending in Germany and Japan, nations that can take care of themselves very well. And even Korea, even Korea; Korea can take care of much of its own defense, although we recognize the threat of the North Koreans and we should keep alert there. It is one of those cases where we are making a nation dependent on us to a degree that is not necessary.

So, if you have anger, then focus it on the billion-dollar targets. We could be using that money instead for other purposes.

There are people who say that now that the Soviet Union no longer exists, now that communism has been defeated, this Nation is going to have a hard time making the policy congeal, that there is no way we can get the American people mobilized and focused on the single set of objectives that would allow them to function as a Nation, to make the necessary decisions and to set priorities. They say we are in trouble because the Soviet Union does not exist anymore. That is what some psychologists and philosophers and policymakers are saying.

I say let us declare war on unemployment. If we do not have a foe like the Soviet Union, if communism has been defeated, let us defeat unemployment now. Let us set as an objective in America the employment of every American who wants to work. Instead

of being angry and negative, all the voters out there should join in declaring war on unemployment and begin to ask your Congressmen, your Congressperson, ask the President, ask everybody, "What are you going to do to guarantee that everybody who wants to work will have a job?"

Our new national purpose should be to provide those jobs for everybody who wants to work. You do not have to provide make-work jobs. There is much work to be done. There is research and development for people who have scientific and technical skills, instead of developing more weapons; there are all kinds of products that other countries are developing that will outpace us in the competitive world market if we do not develop and improve our own research and development capacity.

These jobs are created in private industry where people can go to work for small companies, large companies, whatever; but we never know what kind of things are going to result from research and development. We do know there are going to be good results because the immediate past history indicates that the economy is driven by new technology.

So, what are we waiting for? Why are we impounding and allowing the defense industries to hold hostage the best and brightest minds and also the money necessary for research and development?

We need new health care systems. When you provide health care for everybody who needs health care, it is obvious that we do not have the capacity to do it. Our hospitals are not big enough; our preventive care, our outpatient operations, none of it out there is capable of serving everybody who needs health care. So, there is a need to build, a need to train, a need to have a greater investment in human capital to improve our health care systems. Let us get on with it. And in the process of improving the health care systems, you provide jobs, jobs that are needed and jobs that will never be outdated, never become obsolete.

In education, we are falling steadily behind our competing industrialized nations in production, in our ability to provide the kinds of products at the cost level that our competitors provide them. We have talked about this for the last 5 years, and yet our educational system continues to go downhill. Nothing new by the Federal Government has been done in education over the past 5 years.

This year, as schools opened, two of the largest cities in America serving the largest number of students did not open their doors because of financial difficulties, difficulties related to financial matters.

New York City has not opened its doors, the schools are closed. They will not be opened, maybe, until September 20 and maybe longer than that, because

they have a major asbestos problem which has not been cleaned up because the resources are not there and because those resources that were available were used in a corrupt manner. Most of all, because they are trying to do the impossible.

The buildings in New York City are so old, the majority of them, it would be better to build new buildings rather than try to make the old buildings asbestos-free. The money is not there to build new schools in New York City. They are not there to build new schools in a number of places across the country where they are very much needed.

Chicago, the school system remains closed, the doors will not open because the law of the State requires that the school system's budget be balanced before school is started; financial difficulties, a \$300 million shortfall.

They could not find \$300 million necessary to keep the schools going at the same level.

Across the country there have been numerous instances of schools closing before the school year ended. Last year there was a celebrated case in Michigan where the schools closed in April instead of June. Are we witnessing the beginning of the abandonment of public education in America, at the time when we refuse to cut the budget of star wars? Three billion dollars for star wars would take care of all the budget cuts in all the school boards across the country this year. Three billion dollars would allow the budget cuts made in the last 2 years in all the school boards across the country to be restored. That is what \$3 billion can do.

Yet we are insisting that \$3 billion must be poured down the drain to continue funding star wars. We are insisting that \$1.8 billion has to be continued for the Trident missile; we have insisted that we have to put another \$2.3 billion for the *Sea Wolf* submarine. It is madness.

If you have fears, it is time to shed them, to look at the decision-making pattern that is taking place at a critical time in the life of our Nation. If you do not confront it, if you do not deal with it now, if you do not tell our leaders that "the jig is up, whatever it is that motivates you and drives you to make stupid, ridiculous decisions about funding while we make speeches about savings, making savings, and the need to sacrifice, whatever it is, you had better come to grips with it and face it."

The future relations, the future of the world and of the Nation is dependent upon us realizing that as we go toward the year 2000, the last thing we should be concerned with is warfare and weapons of war and an economy that is driven by the defense industry. Let us declare war on unemployment.

If we need a purpose, if we need a goal, then the goal should be to provide a job for every person who wants to

work. The President was on the right track when he proposed a stimulus package of \$16 billion in outright appropriations, another \$3 billion in tax credits. So, he was on the right track.

□ 1800

The President was moving to provide investment and stimulate the job creating process. The largest economy in the world, probably second to ours, the second economy to ours is Japan. That is exactly what the Japanese are doing right now, only instead of \$19 billion, they have just proposed a new package of \$47 billion to stimulate their economy on top of previous stimulus programs.

Investment in the infrastructure, investment in services that are needed, you do not have to be a genius to figure out the trickle-down effect and the by-products that result from spending money on services and products that are needed and having the government make that investment. It comes back to the government in terms of income taxes that are paid, in terms of the stimulation of the economy that will generate other taxes and in terms of all the benefits that flow from having human beings out there with jobs, families with jobs.

Give people jobs and income and they will solve most of their other problems.

We are about to consider welfare reform. The President has a program which is based on the principle that nobody should be on welfare more than 2 years. I would agree with that principle. Nobody should be on welfare for more than 2 years, but guarantee them a job after two years, guarantee them a job.

How are you going to guarantee them a job if Sears is laying off, if IBM is laying off, all these other people are decreasing the number of jobs, while at the same time the Federal Government is refusing to take the investment steps necessary to increase jobs.

How did that happen? Nobody should be on a Federal subsidy more than 2 years.

Let the farmers hear that, too. No farmer should be on a Federal subsidy for more than 2 years.

No submarine base should be built, if it has been in business for more than 2 years, they should close up. They should not realize a Federal subsidy. No Federal subsidy anywhere should be provided for more than 2 years.

In the meantime, there are things that are very much needed that we can do and in getting them done we can declare war on unemployment.

If you want a purpose, if you want to sound the bugle and rally the Nation, bring people together, then let us declare war on unemployment. Unemployment is where we should be directing our energies. Let us provide jobs for everybody who wants to work. That is where the future of the Nation

should be going. We can help ourselves, we can help the world by declaring war on unemployment.

COMMUNICATION FROM CHAIRMAN OF SUBCOMMITTEE ON INVESTIGATIONS AND OVERSIGHT OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Subcommittee on Investigations and Oversight of the Committee on Public Works and Transportation:

COMMITTEE ON PUBLIC WORKS
AND TRANSPORTATION

Washington, DC, September 10, 1993.

Hon. THOMAS S. FOLEY,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to inform you, consistent with Rule L (50) of the Rules of the House, that a former employee of the Subcommittee on Investigations and Oversight of the Committee on Public Works and Transportation has been served with a subpoena issued in a criminal case pending in the United States District Court for the Eastern District of Pennsylvania.

After consultation with the General Counsel, I will make determinations consistent with those required by the Rule.

Sincerely,

ROBERT A. BORSKI,
Chairman, Subcommittee on
Investigations and Oversight.

COMMUNICATION FROM THE HONORABLE DOUGLAS APPELGATE, A MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable DOUGLAS APPELGATE, a Member of Congress.

HOUSE OF REPRESENTATIVES
Washington, DC, September 13, 1993.

Hon. THOMAS S. FOLEY,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules of the House that a member of my staff has been served with a subpoena issued by the New Philadelphia, Ohio Municipal Court of New Philadelphia, Ohio.

After consultation with the General Counsel, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

With best regards, I remain

Sincerely yours,

DOUGLAS APPELGATE.

COMMUNICATION FROM THE HONORABLE PETER HOEKSTRA, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable PETER HOEKSTRA, a Member of Congress:

HOUSE OF REPRESENTATIVES,
Washington, DC, September 14, 1993.

Hon. TOM FOLEY
The Capitol, Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules of the House that a member of my staff has been served with a subpoena issued by the 28th Judicial Circuit Court of Michigan.

After consultation with the General Counsel to the House, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,

PETE HOEKSTRA.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HUTTO (at the request of Mr. GEPHARDT) after 3:30 p.m. on September 14, on account of official business.

Mr. TUCKER (at the request of Mr. GEPHARDT) from 1 p.m. to 2:30 p.m. on September 14, on account of foot surgery.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HOUGHTON) to revise and extend their remarks and include extraneous material:)

Mr. CASTLE, for 5 minutes, on September 15.

Mr. PORTER, for 5 minutes, today.

Mr. KIM, for 5 minutes, on September 23.

Mr. PACKARD, for 5 minutes, today.

Mr. HORN, for 60 minutes, on September 15.

Mrs. BENTLEY, for 5 minutes, today, in lieu of 60 minutes earlier approved.

(The following Members (at the request of Mr. CARDIN) to revise and extend their remarks and include extraneous material:)

Mr. BACCHUS of Florida, for 5 minutes, today.

Mr. GLICKMAN, for 5 minutes, today.

Mr. ABERCROMBIE, for 5 minutes, today.

Mrs. THURMAN, for 5 minutes, today

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HOUGHTON) to revise and extend their remarks and include extraneous material:)

Mr. GILMAN.

Mr. COLLINS of Georgia.

Mr. GEKAS.

Ms. SNOWE.

Mr. WELDON.

Mrs. VUCANOVICH.

Mrs. BENTLEY.

Mr. SOLOMON.

Mr. MCDADE.

Mr. SMITH of New Jersey.

Mr. LEVY.

Mr. HOKE.

(The following Members (at the request of Mr. CARDIN) and to include extraneous matter:)

Mr. OLIVER in two instances.

Mr. KANJORSKI.

Mr. DARDEN.

Mr. MONTGOMERY.

Mr. SLATTERY.

Mr. FAZIO.

Mr. NEAL of Massachusetts.

Mr. FOGLIETTA in three instances.

Mr. RUSH.

(The following Members (at the request of Mr. OWENS) and to include extraneous matter:)

Mr. STUDDS.

Mr. PORTER.

Mr. MFUME.

Mr. REGULA.

Mr. BAKER of Louisiana.

Miss COLLINS of Michigan.

Mr. HALL of Texas.

Mr. STOKES.

Mr. BLACKWELL.

Mr. KLEIN.

Mr. BAKER of California.

Mr. MICHEL.

Mr. LEWIS of California.

Mr. COSTELLO.

Mr. GILLMOR.

Mr. DINGELL.

Mr. FLAKE.

Mr. TORRES.

Mr. WAXMAN.

Mr. CRANE.

ADJOURNMENT

Mr. OWENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 5 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, September 15, 1993, at 2 p.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports and amended reports of various House committees concerning the foreign currencies and U.S. dollars utilized by them for official foreign travel during the first and second quarters of 1993, pursuant to Public Law 95-384, are as follows:

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON EDUCATION AND LABOR, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1993

Name of Member or Employee	Date		Country	Per diem ¹		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²
Victoria Nimmo	2/11	2/16	Jamaica		1,080						1,080
Committee total					1,080						1,080

¹ Per diem constitutes lodging and meals.

² If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

WILLIAM D. FORD, Chairman, Aug. 12, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON AGRICULTURE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1993

Name of Member or Employee	Date		Country	Per diem ¹		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²
Anita R. Brown	5/6	5/9	Canada		300.00						300.00
Commercial transportation							824.54				824.54
Gary Mitchell	5/6	5/9	Canada		300.00						300.00
Commercial transportation							824.54				824.54
Committee total					600.00		1,649.08				2,249.08

¹ Per diem constitutes lodging and meals.

² If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

E de la GARZA, Chairman, July 30, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1993

Name of Member or Employee	Date		Country	Per diem ¹		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²
Visit to Italy, Turkey, Syria, and Morocco, April 3–11, 1993.											
Hon. Dave McCurdy	4/3	4/6	Italy			728.00					728.00
	4/6	4/8	Turkey			498.00					498.00
	4/8	4/9	Syria			215.00					215.00
	4/9	4/11	Morocco			376.00					376.00
Hon. Patricia Schroeder	4/3	4/6	Italy			728.00					728.00
	4/6	4/8	Turkey			498.00					498.00
	4/8	4/9	Syria			215.00					215.00
	4/9	4/11	Morocco			376.00					376.00
Hon. Owen B. Pickett	4/3	4/6	Italy			728.00					728.00
	4/6	4/8	Turkey			498.00					498.00
	4/8	4/9	Syria			215.00					215.00
	4/9	4/11	Morocco			376.00					376.00
Hon. James M. Inhofe	4/3	4/6	Italy			728.00					728.00
	4/6	4/8	Turkey			498.00					498.00
	4/8	4/9	Syria			215.00					215.00
	4/9	4/11	Morocco			376.00					376.00
Hon. John M. McHugh	4/3	4/6	Italy			728.00					728.00
	4/6	4/8	Turkey			498.00					498.00
	4/8	4/9	Syria			215.00					215.00
	4/9	4/11	Morocco			376.00					376.00
Ms. Alma B. Moore	4/3	4/6	Italy			728.00					728.00
	4/6	4/8	Turkey			498.00					498.00
	4/8	4/9	Syria			215.00					215.00
	4/9	4/11	Morocco			376.00					376.00
Mr. Warren L. Nelson	4/3	4/6	Italy			728.00					728.00
	4/6	4/8	Turkey			498.00					498.00
	4/8	4/9	Syria			215.00					215.00
	4/9	4/11	Morocco			376.00					376.00
Mr. John M. Reskovic	4/3	4/6	Italy			728.00					728.00
	4/6	4/8	Turkey			498.00					498.00
	4/8	4/9	Syria			215.00					215.00
	4/9	4/11	Morocco			376.00					376.00
Delegation expenses	4/6	4/8	Turkey						81.78		81.78
	4/8	4/9	Syria						894.38		894.38
	4/9	4/11	Morocco					120.00	1,272.00		1,392.00
Visit to Germany and Belgium May 21–24, 1993:											
Hon. Marilyn Lloyd	5/21	5/23	Germany			586.00					586.00
	5/23	5/24	Belgium			328.00					328.00
Hon. Floyd Spence	5/21	5/23	Germany			586.00					586.00
	5/23	5/24	Belgium			328.00					328.00
Hon. Norman Sisisky	5/21	5/23	Germany			586.00					586.00
	5/23	5/24	Belgium			328.00					328.00
Hon. Herbert H. Bateman	5/21	5/23	Germany			586.00					586.00
	5/23	5/24	Belgium			328.00					328.00
Hon. H. Martin Lancaster	5/21	5/23	Germany			586.00					586.00
	5/23	5/24	Belgium			328.00					328.00
Hon. James H. Bilbray	5/21	5/23	Germany			586.00					586.00
	5/23	5/24	Belgium			328.00					328.00
Hon. Don Johnson	5/21	5/23	Germany			586.00					586.00
	5/23	5/24	Belgium			328.00					328.00
Mr. Ronald J. Bartek	5/21	5/23	Germany			586.00					586.00
	5/23	5/24	Belgium			328.00					328.00
Mr. Thomas M. Garwin	5/21	5/23	Germany			586.00					586.00
	5/23	5/24	Belgium			328.00					328.00
Committee total					22,762.00		120.00		2,248.16		25,130.16

¹ Per diem constitutes lodging and meals.

² If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

RONALD V. DELLUMS, Chairman, July 29, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ENERGY AND COMMERCE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1993

Name of Member or employee	Date		Country	Per diem ¹		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²
Bruce Chafin	6/15	6/18	Sweden		966.00		2,593.65				3,589.65
John Hambl	6/15	6/18	Sweden		996.00		2,593.65				3,589.65
Peter Stockton	6/15	6/18	Sweden		966.00		2,593.65				3,589.65
Bruce Chafin	4/11	4/16	Egypt		660.00						660.00
	4/16	4/28	Greece		1,320.00		3,187.55				4,507.85
Peter Stockton	4/11	4/16	Egypt		660.00						660.00
	4/16	4/28	Greece		1,320.00		3,187.85				4,507.85
Dennis Wilson	4/11	4/19	Egypt		1,056.00						1,056.00
	4/19	4/22	Greece		495.00		3,623.95				4,118.95
David Finnegan	5/24	5/28	Switzerland		845.00		3,049.45				3,894.45
Tim Westmoreland	6/05	6/11	Germany		1,701.00		756.25				2,457.25
David Tittsworth	4/09	4/10	France		666.00						666.00
	4/10	4/11	Germany		573.00		614.15				1,187.15
John D. Dingell	4/4	4/7	England		918.00						918.00
	4/7	4/11	France		666.00						666.00
	4/11	4/13	Germany		573.00						573.00
Carlos Moorhead	4/4	4/7	England		918.00						918.00
	4/7	4/11	France		666.00						666.00
	4/11	4/13	Germany		573.00						573.00
Henry Waxman	4/4	4/7	England		918.00						918.00
	4/7	4/11	France		666.00						666.00
	4/11	4/13	Germany		573.00						573.00
Thomas Bliley	4/4	4/7	England		918.00						918.00
	4/7	4/11	France		666.00						666.00
	4/11	4/13	Germany		573.00						573.00
Edward Markey	4/4	4/7	England		918.00						918.00
	4/7	4/11	France		666.00						666.00
	4/11	4/13	Germany		573.00						573.00
Al Swift	4/4	4/7	England		918.00						918.00
	4/7	4/11	France		666.00						666.00
	4/11	4/13	Germany		573.00						573.00
Michael Oxley	4/4	4/7	England		918.00						918.00
	4/7	4/11	France		666.00						666.00
	4/11	4/13	Germany		573.00						573.00
Thomas Manton	4/4	4/7	England		918.00						918.00
	4/7	4/11	France		666.00						666.00
	4/11	4/13	Germany		573.00						573.00
Edolphus Towns	4/4	4/7	England		918.00						918.00
	4/7	4/11	France		666.00						666.00
	4/11	4/13	Germany		573.00						573.00
Craig Washington	4/4	4/7	England		918.00						918.00
	4/7	4/11	France		666.00						666.00
	4/11	4/13	Germany		573.00						573.00
Paul Gillmor	4/4	4/7	England		918.00						918.00
	4/7	4/11	France		666.00						666.00
	4/11	4/13	Germany		573.00						573.00
Alan Roth	4/4	4/7	England		918.00						918.00
	4/7	4/11	France		666.00						666.00
	4/11	4/13	Germany		573.00						573.00
Dennis Fitzgibbons	4/4	4/7	England		918.00						918.00
	4/7	4/11	France		666.00						666.00
	4/11	4/13	Germany		573.00						573.00
Sharon Davis	4/4	4/7	England		918.00						918.00
	4/7	4/11	France		666.00						666.00
	4/11	4/13	Germany		573.00						573.00
Don Shriber	4/4	4/7	England		918.00						918.00
	4/7	4/11	France		666.00						666.00
	4/11	4/13	Germany		573.00						573.00
Margaret Durbin	4/4	4/7	England		918.00						918.00
	4/7	4/11	France		666.00						666.00
	4/11	4/13	Germany		573.00						573.00
England code expenses:											
Local transportation									3,421.00		3,421.00
Rental vehicles									3,454.90		3,454.90
Security services									47.89		47.89
Parking fees									15.78		15.78
German code expenses:											
Control room									1,713.06		1,713.06
Driver									148.31		148.31
Mileage									131.12		131.12
Taxi and parking									94.88		94.88
Committee total					46,796.00		22,200.45		9,026.94		78,023.39

¹ Per diem constitutes lodging and meals.² If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

Note.—France code expenses to be filed on supplemental as they are received.

JOHN DINGELL, Aug. 19, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1993

Name of Member or employee	Date		Country	Per diem ¹		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²
Jill Brady	5/6	5/15	Japan		³ 3,150.00		⁴ 3,301.45				6,451.45
David Honness	5/23	5/29	United Kingdom	837.55	1,290.00		⁴ 1,017.45				2,307.45
Christopher G. Mann	6/8	6/12	Norway		³ 900.00		⁴ 1,102.45				2,002.45
James H. Mathews	6/25	7/2	Japan	284,577	2,618.00		⁴ 996.45				3,614.45
Rodney H. Moore	6/25	7/2	Japan	284,577	2,618.00		⁴ 996.45				3,613.45
Karen L. Steuer			Japan						202.47		202.47
Committee total					10,576.00		7,413.25				18,191.72

¹ Per diem constitutes lodging and meals.

² If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

³ Cash advance by Department of State.

⁴ Commercial airfare.

GERRY E. STUDDS, Chairman, Aug. 6, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1993

Name of Member or employee	Date		Country	Per diem ¹		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²
Hon. Barbara-Rose Collins	4/6	4/7	India								
	4/7	4/10	Nepal		300.00						300.00
	4/10	4/15	India		1,140.00		7,720.45				8,860.45
Committee total					1,440.00		7,720.45				9,160.45

¹ Per diem constitutes lodging and meals.

² If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

NORMAN Y. MINETA, Chairman, July 30, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, PERMANENT SELECT COMMITTEE ON INTELLIGENCE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1993

Name of Member or employee	Date		Country	Per diem ¹		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²
Hon. Greg Laughlin	4/3	4/10	Europe		1,700.00		2,573.45				4,273.45
Hon. David E. Skaggs	4/12	4/12	North America		163.00						163.00
Hon. Dan Glickman	4/12	4/14	North America		326.25						326.25
	4/14	4/15	Central America		100.00						100.00
Commercial airfare							1,126.95				1,126.95
Michael W. Sheehy, staff	4/12	4/14	North America		326.25						326.25
	4/14	4/15	Central America		100.00						100.00
Commercial airfare							1,125.95				1,125.95
Committee total					2,715.50		4,827.35				7,542.85

¹ Per diem constitutes lodging and meals.

² If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DAN GLICKMAN, Chairman, July 30, 1993.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1883. A letter from the Secretary of Energy, transmitting the Uranium Purchases Report, 1992, pursuant to Public Law 102-486, section 1017(b) (106 Stat. 2950); jointly, to the Committees on Energy and Commerce and Natural Resources.

1884. A letter from the Acting Comptroller General, General Accounting Office, transmitting the results of the audit of the Panama Canal Commission's financial statements as of September 30, 1991 and 1992, pursuant to 31 U.S.C. 9106(a); jointly, to the Committees on Government Operations and Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DERRICK: Committee on Rules. House Resolution 251. Resolution relating to the consideration of the Senate amendment to the bill (H.R. 20) to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes (Rept. 103-238). Referred to the House Calendar.

Mr. MINETA: Committee on Public Works and Transportation. H.R. 2440. A bill to

amend the Independent Safety Board Act of 1974 to authorize appropriations for fiscal years 1994, 1995, and 1996, and for other purposes (Rept. 103-239, Pt. 1). Ordered to be printed.

Mr. MINETA: Committee on Public Works and Transportation. H.R. 2739. A bill to amend the Airport and Airway Improvement Act of 1982 to authorize appropriations for fiscal years 1994, 1995, and 1996, and for other purposes; with an amendment (Rept. 103-240). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. STUDDS (for himself and Mr. MANTON):

H.R. 3058. A bill to implement the Convention on Future Multilateral Cooperation in the Northwest Atlantic Fisheries; to the Committee on Merchant Marine and Fisheries.

By Mr. ANDREWS of Maine (for himself, Mr. OBERSTAR, and Ms. SNOWE):

H.R. 3059. A bill to establish a National Maritime Heritage Program to make grants available for educational programs and the restoration of America's cultural resources for the purpose of preserving America's endangered maritime heritage; to the Committee on Merchant Marine and Fisheries.

By Mr. DARDEN:

H.R. 3060. A bill to authorize the Secretary of the Treasury to issue regulations to require that the pay of Federal employees be paid by electronic funds transfer or any other method determined by the Secretary to be in the interest of economy or effective-

ness, with sufficient safeguards over the control of, and accounting for public funds; to the Committee on Government Operations.

By Mr. DUNCAN:

H.R. 3061. A bill to provide that a Federal employee shall be ineligible for an annual pay adjustment before completing at least 1 year of service, and to revise the criteria governing appointments in the competitive service; to the Committee on Post Office and Civil Service.

By Mr. FIELDS of Texas:

H.R. 3062. A bill to amend the Controlled Substances Act to eliminate a Federal entitlement to legal representation in death penalty cases; jointly, to the Committees on Energy and Commerce and the Judiciary.

By Mr. FRANK of Massachusetts:

H.R. 3063. A bill to authorize U.S. participation in the replenishment of the resources of the International Development Association and the Asian Development Bank, to authorize a United States contribution to the Global Environment Facility, to authorize the provision of special debt relief for the poorest, most heavily indebted countries through the multilateral approach of the Paris Club, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. GEKAS:

H.R. 3064. A bill to amend section 43 of title 18, United States Code, to extend this protection to individuals who work in animal enterprises; to the Committee on the Judiciary.

By Mr. JACOBS (for himself, Mr. ARCHER, Mr. INHOFE, Mr. TORRICELLI, Mr. LIPINSKI, and Mr. POSHARD):

H.R. 3065. A bill to amend the Internal Revenue Code of 1986 to establish medical care savings benefits; to the Committee on Ways and Means.

By Mr. KYL (for himself and Mr. DURBIN):

H.R. 3066. A bill to amend title 10, United States Code, to provide congressional consent for the employment of retired members of the Armed Forces of the United States by governments of newly democratic nations; to the Committee on Armed Services.

By Mr. LANTOS:

H.R. 3067. A bill to amend title 10, United States Code, to ensure proper classification as employees and independent contractors of persons awarded Federal procurement contracts; to the Committee on Armed Services.

H.R. 3068. A bill to amend the Federal Property and Administrative Services Act of 1949 to ensure proper classification as employees and independent contractors of persons awarded Federal procurement contracts; to the Committee on Government Operations.

H.R. 3069. A bill to amend the Internal Revenue Code of 1986 and the Revenue Act of 1978 to revise the procedures applicable to the determination of employment status; to the Committee on Ways and Means.

By Mr. LAROCOCO:

H.R. 3070. A bill to amend the Public Health Service Act to provide grants for the development of rural telemedicine, and for other purposes; to the Committee on Energy and Commerce.

By Mr. LEWIS of Florida (for himself, Ms. THURMAN, and Mr. CANADY):

H.R. 3071. A bill to amend the Lime Research, Promotion, and Consumer Information Act as it relates to the composition of the Lime Board, the conduct of the referendum, the definition of lime, and for other purposes; to the Committee on Agriculture.

By Mrs. MINK:

H.R. 3072. A bill to amend title 10, United States Code, to extend eligibility to use the military health care system and commissary stores to an unremarried former spouse of a member of the uniformed services if the member performed at least 20 years of service which is creditable in determining the member's eligibility for retired pay and the former spouse was married to the member for a period of at least 17 years during those years of service; to the Committee on Armed Services.

H.R. 3073. A bill to amend title 10, United States Code, to expand eligibility for commissary benefits for persons qualified for certain retired pay but under age 60; to the Committee on Armed Services.

By Mr. RANGEL:

H.R. 3074. A bill to extend the emergency unemployment compensation program; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mrs. SCHROEDER (for herself, Ms. SNOWE, Ms. SLAUGHTER, Ms. BROWN of Florida, Ms. BYRNE, Mrs. CLAYTON, Mrs. COLLINS of Illinois, Ms. DELAURO, Ms. ESHOO, Mrs. JOHNSON of Connecticut, Mrs. LLOYD, Ms. LOWEY, Mrs. KENNELLY, Ms. MCKINNEY, Ms. MALONEY, Mrs. MEEK, Mrs. MINK, Ms. MOLINARI, Mrs. MORELLA, Ms. PELOSI, Ms. ROYBAL-ALLARD, Ms. SCHENK, Ms. THURMAN, Mrs. UNSOELD, Ms. VELÁZQUEZ, Ms. WATERS, Mrs. WOOLSEY, Mr. ABERCROMBIE, Mr. BERMAN, Mr. BROWN of California, Mr. EVANS, Mr. FRANK of Massachusetts, Mr. HOCHBRUECKNER, Mr. LANTOS, Mr. MARTINEZ, Mr. McDERMOTT, Mr. NADLER, Mr. SANDERS, Mr. WHEAT, and Mr. YATES):

H.R. 3075. A bill to promote greater equity in the delivery of health care services to

American women through expanded research on women's health issues and through improved access to health care services, including preventive health services; jointly, to the Committees on Energy and Commerce, Ways and Means, Armed Services, Education and Labor, Foreign Affairs, the Judiciary, and Veterans' Affairs.

By Mr. STARK (for himself, Mr. KENNEDY, Ms. PELOSI, Mr. MARKEY, Mr. EVANS, Ms. MCKINNEY, Mr. KOPETSKI, Mr. SERRANO, Mr. FILNER, Mr. ANDREWS of Maine, Mr. TORRES, Mr. WAXMAN, Mr. HASTINGS, Mr. EDWARDS of California, Mr. FRANK of Massachusetts, Mr. UNDERWOOD, Mr. MILLER of California, Mr. HINCHEY, Mr. DURBIN, Ms. ESHOO, Mrs. SCHROEDER, Mr. SCHUMER, Mr. SANDERS, Mr. DEFAZIO, Mr. McCLOSKEY, Ms. FURSE, Mr. HAMBURG, and Mr. FISH):

H.R. 3076. A bill to address the policy of the United States on plutonium use; to the Committee on Foreign Affairs.

By Mr. TALENT:

H.R. 3077. A bill to amend the Internal Revenue Code of 1986 to allow tips received for providing food or beverages for consumption off the employer's premises to be taken into account under the credit for the employer Social Security tax on certain tips; to the Committee on Ways and Means.

By Mr. THOMAS of Wyoming (for himself, Mr. GUNDERSON, Mr. ROBERTS, Mr. STENHOLM, Mrs. MINK, Mr. STRICKLAND, Mr. ENGLISH of Oklahoma, Mr. GRANDY, and Mr. BEREUTER):

H.R. 3078. A bill to amend title XVIII of the Social Security Act to permit certain rural hospitals under the Medicare Program to serve as rural emergency access care facilities under the program; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Ms. WOOLSEY (for herself, Mr. BECERRA, Mr. BEILENSEN, Mr. BERMAN, Mr. BROWN of California, Mr. DELLUMS, Mr. EDWARDS of California, Ms. ESHOO, Mr. FARR, Mr. FAZIO, Mr. FILNER, Mr. HAMBURG, Ms. HARMAN, Mr. MARTINEZ, Mr. MATSUI, Mr. MILLER of California, Mr. MINETA, Ms. PELOSI, Ms. ROYBAL-ALLARD, Ms. SCHENK, Mr. STARK, Mr. TORRES, Mr. TUCKER, Ms. WATERS, and Mr. WAXMAN):

H.R. 3079. A bill to protect the integrity of the Point Reyes National Seashore and the Golden Gate National Recreation Area [GGNRA], and for other purposes; to the Committee on Natural Resources.

By Mr. BARTLETT of Maryland (for himself, Mrs. BENTLEY, Mrs. MORELLA, Mr. CARDIN, Mr. WYNN, Mr. HOYER, Mr. GILCHREST, and Mr. MFUME):

H.J. Res. 261. Joint resolution designating September 14, 1994, as "Francis Scott Key Day"; to the Committee on Post Office and Civil Service.

By Mr. HAMILTON (for himself and Mr. GILMAN):

H. Con. Res. 143. Concurrent resolution expressing the sense of the Congress concerning the historic opportunity for peace in the Middle East; to the Committee on Foreign Affairs.

By Mr. HAMILTON:

H. Con. Res. 144. Concurrent resolution providing for a joint session of Congress to receive a message from the President; considered and agreed to.

H. Con. Res. 145. Concurrent resolution providing for an adjournment of the House

from Wednesday, September 15, 1993, to Tuesday, September 21, 1993; considered and agreed to.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 22: Mr. ROEMER.
H.R. 133: Mr. ROEMER.
H.R. 326: Mrs. THURMAN, Mr. MARTINEZ, Mr. COSTELLO, Mr. SMITH of Iowa, Mr. WISE, Mr. MURPHY, Mr. ROSE, Mr. LEHMAN, Mr. HASTINGS, and Mr. WYDEN.
H.R. 393: Mr. KLEIN.
H.R. 401: Mr. DORNAN.
H.R. 410: Mr. TORKILDSEN.
H.R. 468: Mr. SANDERS and Mr. RUSH.
H.R. 502: Mr. ARMEY.
H.R. 518: Mr. NADLER, Mr. ANDREWS of Maine, Mr. KLUG, Mr. TRAFICANT, and Mr. DEUTSCH.
H.R. 535: Mr. WILLIAMS, Mr. THOMAS of Wyoming, and Mr. BOUCHER.
H.R. 558: Mr. HOLDEN and Mr. CANADY.
H.R. 656: Mr. YATES.
H.R. 657: Mr. ARMEY.
H.R. 727: Mr. WASHINGTON, Mr. RUSH, and Mr. DIXON.
H.R. 760: Ms. SCHENK and Mr. FRANK of Massachusetts.
H.R. 778: Mr. OBERSTAR, Mr. HAMILTON, Mr. YOUNG of Alaska, Mr. STENHOLM, Mr. LAUGHLIN, Mr. WYDEN, Mr. EVERETT, and Mr. COMBEST.
H.R. 794: Mr. BARRETT of Nebraska and Mr. MURPHY.
H.R. 830: Mr. WILSON, Mr. CLINGER, Mr. DEAL, and Mr. MORAN.
H.R. 935: Mr. FARR and Mr. EDWARDS of California.
H.R. 1043: Mr. ROEMER.
H.R. 1141: Ms. MOLINARI.
H.R. 1277: Mr. INGLIS of South Carolina, and Mr. ROGERS.
H.R. 1295: Mr. MOORHEAD, Mr. CUNNINGHAM, Mr. DORNAN, Mr. WALKER, Mr. RIDGE, Mr. ROBERTS, Ms. DUNN, and Mr. JOHNSON of Georgia.
H.R. 1385: Mr. FISH.
H.R. 1432: Mr. SCOTT.
H.R. 1457: Mr. SABO, Mr. NADLER, and Mr. RUSH.
H.R. 1504: Mr. SAM JOHNSON and Mr. BAKER of Louisiana.
H.R. 1518: Mr. SENSENBRENNER and Mr. ARMEY.
H.R. 1538: Mr. HOCHBRUECKNER, Mr. MARTINEZ, Mr. RUSH, Mr. SANDERS, Mr. BEILENSEN, Mr. CLAY, and Ms. WATERS.
H.R. 1583: Mr. BATEMAN and Mr. MCCANDLESS.
H.R. 1604: Mr. KREIDLER.
H.R. 1608: Mr. BILBRAY, Mr. BISHOP, Mr. BOEHLERT, Ms. BYRNE, Ms. ESHOO, Mr. FIELDS of Louisiana, Mr. GENE GREEN of Texas, Mr. HANCOCK, Mrs. LLOYD, Mr. PICKLE, Mr. POMEROY, Mr. REGULA, Mr. SABO, Mr. SCHUMER, Mr. SMITH of Iowa, and Mr. STEARNS.
H.R. 1671: Mr. KANJORSKI and Mr. DEUTSCH.
H.R. 1675: Mr. WILSON, Mr. ROMERO-BARCELÓ, and Mr. INSLEE.
H.R. 1749: Mr. SANDERS.
H.R. 1800: Mr. ACKERMAN and Mr. KLINK.
H.R. 1933: Mr. BARRETT of Wisconsin, Mr. FALOMAVAEGA, Mr. COLEMAN, Mrs. SCHROEDER, Mr. UNDERWOOD, and Mr. COYNE.
H.R. 1945: Ms. MARGOLIES-MEZVINSKY, Mr. MENENDEZ, Mr. BACHUS of Alabama, Mr. COX, Mr. TAYLOR of Mississippi, Mr. BONILLA, and Mr. GORDON.

H.R. 2043: Mr. MINETA and Mr. SERRANO.
H.R. 2074: Mr. MAZZOLI.
H.R. 2088: Mr. BLUTE, Mr. HUTCHINSON, Mr. JOHNSON of Georgia, Ms. MOLINARI, Mr. OXLEY, Mr. ROGERS, and Mr. WALSH.
H.R. 2171: Mr. ANDREWS of New Jersey, Mr. VALENTINE, Mr. UPTON, Ms. MCKINNEY, Mr. JOHNSON of Georgia, and Mr. FAWELL.
H.R. 2177: Mr. BARCIA of Michigan.
H.R. 2221: Mr. COOPER, Mr. MONTGOMERY, Mr. OXLEY, Mr. STUMP, Mr. SWETT, Mr. TANNER, Mr. TAYLOR of Mississippi, and Mr. VALENTINE.
H.R. 2286: Mr. GINGRICH and Mr. STENHOLM.
H.R. 2415: Mr. PACKARD, Mr. EMERSON, Mr. CASTLE, and Mr. MICA.
H.R. 2417: Mr. SCHAEFER, Ms. PRYCE of Ohio, and Mr. KIM.
H.R. 2424: Ms. MALONEY, Mr. HOBSON, Mr. HALL of Ohio, and Ms. PRYCE of Ohio.
H.R. 2525: Mr. SANTORUM, Mr. GENE GREEN of Texas, Mr. GOODLING, Mr. PORTMAN, Mr. BOEHNER, Mr. JACOBS, Mr. MACHTLEY, Mrs. JOHNSON of Connecticut, Mr. CAMP, Mr. HOUGHTON, Mr. WYDEN, and Mr. DEUTSCH.
H.R. 2543: Mr. SABO and Mr. FORD of Michigan.

H.R. 2638: Mr. TORRICELLI, Mr. FISH, Mr. STARK, Mr. CLAY, Mr. GILCHREST, and Ms. NORTON.
H.R. 2651: Mr. FORD of Michigan.
H.R. 2664: Mr. KOPETSKI.
H.R. 2676: Mr. CLYBURN and Mr. SANDERS.
H.R. 2720: Mr. WYDEN, Mr. CASTLE, Mr. HASTINGS, Ms. PRYCE of Ohio, Mr. COPPERSMITH, Mr. KNOLLENBERG and Mr. GALLEGLY.
H.R. 2787: Mr. FILNER and Mr. CLAY.
H.R. 2834: Mr. KREIDLER.
H.R. 2835: Mr. KREIDLER and Mr. HOKE.
H.R. 2864: Mr. KREIDLER, Mr. BAESLER and Mr. KLUG.
H.R. 2884: Mr. MAZZOLI and Mr. CASTLE.
H.R. 2921: Mr. REYNOLDS.
H.R. 2968: Mr. BILBRAY and Mr. TORRICELLI.
H.R. 3005: Mr. BLUTE, Mr. BURTON of Indiana, Mr. MCHUGH, Mr. DUNCAN, Mr. BAKER of California, and Mr. LIVINGSTON.
H.R. 3024: Mr. SCHIFF.
H.R. 3028: Mr. MAZZOLI.
H.R. 3041: Mr. PETERSON of Minnesota.
H.J. Res. 11: Mr. FIELDS of Texas.
H.J. Res. 86: Ms. MCKINNEY.
H.J. Res. 106: Mr. BARRETT of Wisconsin, Mr. BILIRAKIS, and Mr. TAYLOR of North Carolina.

H.J. Res. 165: Mr. HUGHES, Mr. PETRI, Ms. BYRNE, Mr. OLVER, and Mr. LEWIS of Georgia.
H.J. Res. 166: Mr. BISHOP.
H.J. Res. 206: Mr. STARK, Mr. LEWIS of Georgia, Mr. BELENSON, Mr. RICHARDSON, Mr. CRANE, Mr. NEAL of Massachusetts, Mr. OXLEY, Mr. BLUTE, Mr. BACHUS of Alabama, Mr. BEVILL, and Mr. KASICH.
H.J. Res. 249: Mr. FAWELL and Mr. BACHUS of Alabama.
H.J. Res. 257: Mr. ZIMMER, Mr. MAZZOLI, and Mr. BILIRAKIS.
H. Con. Res. 3: Ms. SNOWE, Mr. KNOLLENBERG, Mr. CLINGER, and Mr. PETRI.
H. Con. Res. 52: Mr. CARDIN, Mr. RUSH, Ms. BROWN of Florida, Mr. GALLO, Mr. LEACH, Mr. INSLEE, Mr. TOWNS, Mr. CLAY, and Mr. WASHINGTON.
H. Con. Res. 59: Mr. GIBBONS.
H. Con. Res. 110: Ms. DANNER.
H. Res. 234: Ms. PELOSI, Mr. BROWN of California, Mr. WALSH, and Mr. BARRETT of Wisconsin.
H. Res. 247: Mr. TRAFICANT, Mr. SCHIFF, and Mr. PETE GEREN of Texas.